

AGENDA
Wednesday, August 17, 2022
1:00 p.m.
Join on your computer or mobile app
[Click here to join the meeting](#)
Or call in (audio only)
[+1 719-733-3651,,437517528#](tel:+17197333651)

1:00 p.m.	1.	Call to Order	Chair Wayne Williams	
1:05 p.m.	2.	Invocation and Pledge of Allegiance		
1:10 p.m.	3.	Consent Calendar These items will be acted upon as a whole, unless a specific item is called for discussion by a Board Member or a citizen wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.)	Chair Wayne Williams	
		3a. Approval of Minutes: July 20, 2022	Chair Wayne Williams	Approval
1:15 p.m.	4.	Recognition: <ul style="list-style-type: none"> • National Preparedness Month 		Information
1:25 p.m.	5.	Customer Comments <ul style="list-style-type: none"> • During the customer comment period, comments are accepted for any topic not on the agenda. • Comments for specific agenda items will be taken following the presentation of the item and the Board's discussion. • Comments will be limited to three minutes per speaker, per item. • Following the comments from customers that have signed up to speak, an announcement will be made seeking additional comments and the Board will accept all those wishing to comment. 	Chair Wayne Williams	Information

1:35 p.m.	6.	<p>Compliance Reports:</p> <p>I-2 Financial Condition and Activities (to include Contracts Over \$500K**) G-7 – Q2</p> <p>I-4 Risk Management</p> <p>I-8 Asset Protection</p> <p>I-14 Enterprise Innovation</p> <p>E-2 CEO Responsibilities</p> <ul style="list-style-type: none"> • Water Outlook • ECA/GCA Monitoring 	Aram Benyamin, Chief Executive Officer	Monitoring
1:45 p.m.	7.	Items Called Off Consent Calendar		
1:50 p.m.	8.	Proposed Changes to Utilities Policy Advisory Committee (UPAC) Bylaws	Natalie Watts, Strategic Planning & Governance Manager	Approval
2:05 p.m.	9.	Proposed Changes to Utilities Board Bylaws	Natalie Watts, Strategic Planning & Governance Manager	Approval
2:15 p.m.	10.	2023 Budget and Preliminary Rate Review	Scott Shirola, Pricing and Rates Manager	Discussion
			John Hunter, Financial Planning & Risk Manager	
3:15	11.	<p>Executive Session</p> <p>In accordance with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(a), (b), and (e) and Utilities Board Bylaw Rules 10(c)(1), (2), and (5), the Utilities Board, in Open Session, is to determine whether it will hold a Closed Executive Session. The issue to be discussed involves the purchase and acquisition of an interest in real property, conferences with the City Attorney’s Office for the</p>	Bethany Burgess, Division Chief – Utilities, Office of the City Attorney	

purpose of receiving legal advice on specific legal questions, and instructing negotiators.

The City Attorney’s Office, on behalf of the Chair of the Utilities Board, shall poll the Utilities Board members, and, upon consent of two-thirds of the members present, may conduct a Closed Executive Session. In the event any Utilities Board member is participating electronically or telephonically in the Closed Executive Session, each Utilities Board member participating electronically or telephonically in the Closed Executive Session shall affirmatively state for the record that no other member of the public not authorized to participate in the Closed Executive Session is present or able to hear the matters discussed as part of the Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

4:15 p.m.	12.	Board Member Updates	Board of Directors	Information
4:30 p.m.	13.	Adjournment	Chair Wayne Williams	

MINUTES
Colorado Springs Utilities Board Meeting
Wednesday, July 20, 2022

Utilities Board members present via Microsoft Teams or Blue River Conference Room:
Chair Wayne Williams, Vice Chair Mike O'Malley, Dave Donelson, Randy Helms, Bill Murray, Stephanie Fortune, Nancy Henjum and Tom Strand

Utilities Board members excused: Yolanda Avila

Staff members present via Microsoft Teams or Blue River Conference Room: Aram Benyamin, Tristan Gearhart, Scott Shirola, Pat Wells, Natalie Watts, April Speake, Kalsoum Abbasi, Kandy Dranke, Chris Welch and Andie Buhl

City of Colorado Springs staff members present via Microsoft Teams or Blue River Conference Room: Bethany Burgess, Chris Bidlack, Jeff Greene, Jacqueline Rowland, Dee Brown and David Beckett

Citizens present via Microsoft Teams or Blue River Conference Room: Doug Rouse, Deacon Dave Sekel, Gary Burghart and Larry Barrett

1. Call to Order

Chair Wayne Williams called the Utilities Board meeting to order at 1:00 p.m. and Ms. Andie Buhl, Utilities Board Administrator, called the roll.

2. Invocation and Pledge of Allegiance

Deacon Dave Sekel with Catholic Charities of Central Colorado delivered the invocation and Chair Williams led the Pledge of Allegiance.

3. Consent Calendar

3a. Approval of Minutes: June 15, 2022

3b. Approval of Minutes: June 27, 2022

Board Member Strand moved approval of the Consent Calendar and Board Member Fortune seconded the motion. The Consent Calendar was unanimously approved.

4. Recognition

Recognition of Community Focus Fund (CFF) Volunteer Program: Catholic Charities

Mr. Aram Benyamin, Chief Executive Officer, explained how Springs Utilities employees, their friends and family, volunteered 2,032 hours in 2021 for 25 different charities. He said one very special volunteer project involves Catholic Charities Marian

House Kitchen, where employees volunteer monthly to prep food for the Sunday meal.

Mr. Doug Rouse, Director of Volunteer Services at Catholic Charities of Central Colorado, presented Ms. Kandy Drake, Public Affairs Specialist, the Matthew 25 Award, and thanked Springs Utilities for their volunteer contributions. Ms. Drake expressed thanks for the award, as well for staff donating their time to volunteer.

5. Customer Comments

None

6. Compliance Reports

Chair Williams explained that compliance reports are on the agenda by exception and asked if there were any questions. There were none.

- I-3 Financial Planning & Budgeting G-8
- I-6 Infrastructure G-12
- E-2 CEO Responsibilities
 - ECA/GCA Monitoring
 - Water Outlook

Ms. Kalsoum Abbasi, Water Conveyance Planning Supervisor, said Colorado Springs' system wide storage is about 209,800 acre-feet, or 81.1% of capacity. She said this is above the shorter-term (2001-2021) average of 78.1% for this time of year, but less than the 30-year average (1991-2020) of 83%. She said this equates to three years of demand in storage.

Ms. Abbasi reviewed and compared normal precipitation levels from June 18, 2022 to July 17, 2022 and Oct. 1, 2021 to July 17, 2022. She reviewed projections from the July 2022 24-month study inflow scenarios for both Lake Mead and Powell, and explained how Ms. Camille Calimlim Touton, United States Bureau of Reclamation Commissioner, has called for a reduction of 2-4 million acre-feet of Colorado River water use in 2023. The states are meeting now because the plan is due in August 2022 before the Bureau does a 24-month study.

Mr. Pat Wells, Interim Resource and Infrastructure Planning General Manager, explained how the overuse of water primarily lies with the lower basin, but there is a formula to balance the water levels between Lake Mead and Lake Powell.

7. Items Called Off Consent Calendar

None

8. 2022 Standby Bond Purchase Agreement Renewals and 2022 Revolving Loan (Line of Credit) Renewal

2022 Standby Bond Purchase Agreement Renewals

Mr. Tristan Gearhart, Chief Planning and Finance Officer, provided an overview of the Plan of Finance, which is an effort dedicated to four key objectives:

1. Fund the debt-backed portion of Colorado Springs Utilities' upcoming capital plan
2. Manage and optimize Springs Utilities' current debt portfolio
3. Procure and manage debt-supporting instruments and ancillary services
4. Manage credit rating agency relationships

Mr. Gearhart said Springs Utilities has \$350 million in outstanding Variable Rate Demand Bonds (VRDBs), which are long-term bonds whose interest rates reset weekly. He said liquidity providers temporarily backstop the bonds if no buyers are available and all Springs Utilities VRDBs have a matched interest rate swap to hedge any movements in rates (synthetically fixed).

Mr. Gearhart said Springs Utilities' 2009C Standby Bond Purchase Agreement ("SBPA") expires in September 2022 and a cost analysis was performed to determine whether to renew or replace the agreement. He said the organization is renewing with Sumitomo Mitsui Banking Corporation ("SMBC") for a 5-year tenor at an annual fee of 35 basis points (bps) – which is currently down from 7 basis points.

Mr. Gearhart concluded with next steps and the Utilities Board unanimously agreed to put this item on Consent at City Council.

2022 Revolving Loan (Line of Credit) Renewal

Mr. Gearhart reviewed the Plan of Finance and said lines of credit are meant to be used only in emergency situations. He added that benefits bolster liquidity ratings with rating agencies, and Springs Utilities \$75 million Revolving Loan Agreement for a Line of Credit expires in September 2022. Mr. Gearhart said a cost analysis was performed to determine whether to renew or replace the agreement, and the organization is renewing with U.S. Bank National Association for a 3-year tenor at an annual fee of 25 basis points for unused balance.

Mr. Gearhart concluded with next steps, and the Utilities Board unanimously agreed to put this item on Consent at City Council.

9. 2022 Balanced Scorecard Change

Mr. Gearhart provided background information about the current measure, Industrial Electric-intensive Customer Bill – Nationwide Comparison, of the Enterprise Balanced Scorecard. He explained how this measure was based on the Lincoln Electric System (LES) national electric rate study but starting in 2021, the study was discontinued.

Mr. Gearhart explained the recommendation which is to remove the nationwide comparison measure and instead, assign the 1.0% weight to the regional electric intensive measure, which would bring the total weight of this measure to 3.0%. He

said the Electric-intensive Customer Bill – Front Range Comparison measures approximately the same bill comparison and there is decreased emphasis on economic development for electric intensive users.

Board Member Strand moved approval and Board Member Helms seconded the motion. The change to the Balanced Scorecard for 2022 was unanimously approved.

10. Utilities Policy Advisory Committee (UPAC) Water Acquisition Funding Assignment Recommendation

Mr. Gary Burghart, UPAC Chair, said UPAC recommends the Utilities Board directs staff to draft policy using the UPAC considerations to include:

1. Immediate establishment of a dedicated fund in associated Board Instructions and Guidelines.
2. Set a fund value of \$40 million as a targeted baseline.
3. Set scope to include water rights and infrastructure that increase water system yield.
4. Resource fund using revenue from Water Resource Fees, Water Reserve Account, revenue from water rates and augmented with debt as needed.
5. Proactively use the fund in a timely and opportunistic manner.

Mr. Scott Shirola, Pricing and Rates Manager, and Mr. Wells reviewed changes to the policy Financial Planning and Budgeting (I-3) for guidelines Water Reserve Account (G-8) and Water Acquisition Account (G-13), as well as the Water Supply Management (I-7) policy.

Vice Chair O’Malley moved approval and Board Member Donelson seconded the motion. The change to the recommendation was unanimously approved.

Chair Williams and Mr. Burghart concluded by thanking UPAC and Springs Utilities staff for their help and contribution on this assignment.

11. Board Member Updates

Board Member Helms requested Springs Utilities to research nuclear energy in the future.

Board Member Strand thanked Mr. Gearhart and Mr. Shirola for meeting with him to discuss July’s Finance Committee materials.

Board Member Fortune thanked staff for their continued work to repair West Colorado Springs, after the December 2021 windstorm.

Board Member Donelson thanked staff for quickly deploying light emitting diode (LED) streetlights in parts of Colorado Springs where high criminal activity is present.

Chair Williams also thanked staff who contributed to the LED streetlight deployment, and all other work being done at Springs Utilities.

12. Adjournment

The meeting adjourned at 2:15 p.m.

Board Memo Agenda Item

Staff Report

Date: Aug. 17, 2022
To: Utilities Board
From: Aram Benyamin, Chief Executive Officer
Subject: 2022 National Preparedness Month

NARRATIVE:

Desired Action: Information

Executive Summary: National Preparedness Month is an observance each September to raise awareness about the importance of preparing for disasters and emergencies that could happen at any time.

Sponsored by the National Ready Campaign, the 2022 National Preparedness Month theme is: ***A Lasting Legacy. The life you've built is worth protecting. Prepare for disasters to create a lasting legacy for you and your family.***

Throughout the month of September, Colorado Springs Utilities will promote preparedness through participation in the Ready Campaign's social media campaign.

In advance of National Preparedness Month, Colorado Springs Utilities will hold Emergency Preparedness Week, the fourth week in August each year. The week will focus on employee training, exercises, and other related preparedness efforts. The first ever Colorado Springs Utilities' Emergency Preparedness week will take place Aug. 22 - Aug. 26, 2022.

Benefits: Raising awareness among employees about the importance of preparing for disasters and emergencies that could happen at any time.

Board Policy: N/A

Cost/Budget: N/A

Affected Parties: N/A

Alternatives: N/A

Submitter: Erin Duran

Email address: eduran@csu.org

Division/ Operations Division/Emergency

Phone number: 719-668-3621

Department: Management

Date submitted: Aug. 1, 2022

SPG Staff Use Only: Consent Calendar

Yes

X

No

ITEM NO. 4



Date: August 17, 2022

To: Utilities Board

From: Aram Benyamin, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report
Financial Condition and Activities (I-2)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	April 1, 2022 – June 30, 2022
Policy Title (Number):	Financial Condition and Activities (I-2)	Reviewing Committees:	Finance; Program Management Review
Monitoring Type:	Internal; City Auditor	Monitoring Frequency:	Quarterly, Annually
Guidelines:	Local Vendor (G-7)		

The Chief Executive Officer shall direct that financial condition and activities and actual expenditures are consistent with Board Expected Results. Accordingly, the CEO shall:

1. *Operate within total appropriations for the fiscal year and inform the Utilities Board of:*
 - a. *Significant financial variances*
 - Fuel expenses are projected to be \$168.3 million or 66% over the approved budget primarily due to price increases and volatilities in the fuels market.
 - Operating revenues are currently \$103.1 million or 21% over the approved budget mainly due to an increase in ECA and GCA related to recovery of higher fuel expenses.
 - Capital expenses are projected to be \$10.0 million or 3% over the approved budget primarily due to Temporary Natural Gas Generators scope changes.
 - Non-fuel operating expenses are projected to be \$7.4 million or 2% over approved budget; bad debts/write-offs; power for pumping; wastewater operations; labor and benefits salary structure adjustments (50th to 60th percentile); Colorado Centre Metropolitan District Water Facilities Purchase; and Fountain Valley water conveyance purchase.

- b. *Expenditures that exceed the Federal Energy Regulatory Commission capital and operating and maintenance budget classifications in electric, natural gas, water, wastewater and common.*

As of the end of the second quarter of 2022:

- Operating and maintenance expenses are projected to exceed the approved budget by \$63.2 million or 27% in electric, \$107.7 million or 99% in gas, \$3.6 million or 5% in water and \$1.2 million or 6% in wastewater.
- Capital expenditures are projected to exceed the approved budget by \$40.8 million or 19% in electric.

- c. *Budget transfers and canceled major capital projects over \$500,000 in the Approved Budget or new major capital projects not funded in the Approved Budget.*

In the second quarter of 2022, there were three canceled capital projects, two in electric and one in wastewater:

- Sustainable Energy Plan MW-KE Transmission Line 230kV (193881) - \$4,555,464
- Sustainable Energy Plan Horizon Substation Distribution Feeders (192532) - \$2,203,956
- Wastewater Lift Station and Force Main Evaluation and Rehabilitation Program (495281) - \$900,000

In the second quarter of 2022, there was one new capital project in water:

- Watershed Operator Housing (394670) - \$500,618

2. *Inform the Utilities Board of contracts that have been issued over \$500,000.*

In the second quarter of 2022, there were 25 new contracts initiated over \$500,000.

Service	Description	Type	Contract Amount
Wastewater Service	Monument Creek at Monument Street Stream Stabilization - Construction	RELEASE	\$4,578,024
Water Service	Task Order- FWLAP Bundle 26 & 29 - Cathodic Protection Galvanic System installation	RELEASE	\$3,374,199
Water Service	Contrails FWLAP	RELEASE	\$2,329,570
Multi Service	IBM Maximo Licenses Annual Mntc & Support (5 years 2022-2027)	RELEASE	\$2,169,077
Multi Service	Customer Self Service Product and Implementation	RELEASE	\$1,652,592
Electric Service	Sustainable Energy Plan Kelker - 230kV Breakers	RELEASE	\$1,530,203
Gas Service	Steel Gas Pipe (Coated) - Loch Fyne, Manitou phase IV & V	STANDARD	\$1,163,082
Water Service	SUNA Pressure Zone Connection & Preserve Dr (FWLAP) water main replacement	RELEASE	\$1,033,033
Electric Service	Arc Resistant Switchgear 15kV - Fuller #10	RELEASE	\$955,043
Multi Service	Leon Young Service Center Advanced Metering Infrastructure (AMI) zone 11 Texas Meter and Devices (TMD)	RELEASE	\$935,302
Electric Service	Kettle Creek Switchgear 11	RELEASE	\$922,759
Electric Service	Disconnect Switch Alliance Blanket Pascor	RELEASE	\$868,840
Electric Service	Arc Resistant Switchgear - Substation NX2	RELEASE	\$863,212
Water Service	Homestake Dam Mastic	STANDARD	\$692,000
Electric Service	Non-Specific Fiber Materials	STANDARD	\$667,946
Wastewater Service	CSRR 113 - Waste Water Rehabilitation Program	RELEASE	\$654,872
Multi Service	ACI Full Replacement	RELEASE	\$654,562
Electric Service	Conceptual Fiber Network Architecture and System Level Design and Market Analysis	RELEASE	\$618,178
Gas Service	WILDRIDGE APARTMENTS - GOLD RUSH DR	RELEASE	\$596,104
Electric Service	Central Substation Retirement and Replacement	RELEASE	\$580,127
Electric Service	Conceptual Fiber Network Architecture and System Level Design and Market Analysis	RELEASE	\$573,492
Multi Service	jpsc Hold at Irby	RELEASE	\$552,582
Multi Service	Residential/Commercial Demand Response Programs	RELEASE	\$534,200
Multi Service	Mythics Oracle Exadata System, hardware, software & services	RELEASE	\$514,428
Multi Service	Blanket Contract for CISCO Products and Services	RELEASE	\$502,907

In the second quarter of 2022, there were four existing contracts increasing to over \$500,000.

Service	Description	Type	Contract Amount	
			Prior Qtr. Amount	Q1 Amount
Electric Service	SEP CM/GC for Electrical Sub Portfolio Package 1A-1C	STANDARD	\$365,941	\$52,334,532
Electric Service	Manitou Hydro Isolation Valves Replacement	STANDARD	\$373,767	\$1,183,750
Multi Service	Altec Vehicle Maintenance (201707620) January-June 2022	RELEASE	\$220,500	\$620,500
Wastewater Service	Evaluation of Las Vegas Street Water Resource Recovery Facility's Aeration System Studies and Altern	STANDARD	\$195,060	\$618,610
Water Service	Study and Design of Twin Lakes Redundant Main Line Valve	RELEASE	\$323,275	\$539,103

3. *Invest funds in accordance with Bond Ordinance requirements and Utilities Investment Plan.*

All cash and investments are in U.S. Treasury Notes, U.S. Agency securities, repurchase agreements, Local Government Investment Pools, and secured bank accounts that comply with Bond Ordinance investment requirements and the Colorado Springs Utilities Investment Plan.

4. *Ensure controls are in place for receiving, processing, or disbursing funds and allow only bonded personnel access to material amounts of funds.*

Colorado Springs Utilities maintains adequate controls that are reviewed annually by an external auditor. Appropriate personnel have access to material amounts of funds. In addition, the City of Colorado Springs' Risk Management team has expanded insurance coverage of high-risk employees through a shared Crime Insurance Policy, which affords a financial backstop for employee theft, forgery, money order tampering, counterfeit money and other elements of potential fraud and misappropriation.

5. *Ensure receivables are resolved within a reasonable grace period.*

Days Sales Outstanding (DSO) is the average number of days receivables remain outstanding before being collected. At the end of the second quarter of 2022, there is 26.16 of DSO.

6. *Settle payroll and debts in a timely manner.*

These conditions have been achieved as of this monitoring report.

- 7. Ensure tax payments or other government ordered payments are timely and materially accurate.*

These conditions have been achieved as of this monitoring report.

- 8. Operate within Colorado State Procurement Code, Colorado Springs Utilities Procurement Code and Procurement procedures assuring legal and fiscal compliance with competitive acquisition practices, conflict of interest, favoritism and procurement from local vendors.*

Colorado Springs Utilities maintains written purchasing regulations that assure legal and fiscal compliance with competitive acquisition practices, avoid conflicts of interest, avoid favoritism and promote procurement from local vendors. Total spending associated with purchase orders and contracts with local area addresses is at 26.1% for the second quarter, with a target of 30%.

- 9. Inform the Utilities Board of significant financial impacts on the Municipal Government.*

During the second quarter of 2022, there were no significant financial impacts on the Municipal Government.



Date: August 17, 2022

To: Utilities Board

From: Aram Benyamin, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report
Risk Management (I-4)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	January 1, 2022 – June 30, 2022
Policy Title (Number):	Risk Management (I-4)	Reviewing Committee:	Finance
Monitoring Type:	Internal, External, City Auditor	Monitoring Frequency:	Semi-Annual, Annual, Years ending in 0 and 5

The Chief Executive Officer shall direct that the enterprise maintains enterprise risk management activities that identify, assess and prudently manage a variety of risks including strategic, financial, operational, legal and hazard. Accordingly, the CEO shall:

1. Maintain a Risk Management Committee to identify, measure, monitor, manage and report risk on an enterprise-wide basis.

A Risk Management Committee (RMC) was maintained with a structure and procedures specified in the Enterprise Risk Management (ERM) Plan. RMC meetings were restructured to capture a top-down approach to risk management. Elements at each scheduled RMC meeting included:

- Enterprise risk tracking tool – A tracking tool is used to identify, measure, monitor, and report on risks. This tracking tool incorporates elements of the Financial Risk Report, which monitors energy and interest rate market risks and various financial risks.
- Special topic review – Reporting of current projects and their efforts to manage and/or mitigate identified risks and special topics.

2. *Operate under and maintain a written Enterprise Risk Management (ERM) Plan and its required plans listed below that each include management level approval, detailed procedures, internal controls and reporting requirements, and external audits.*

The Enterprise Risk Management (ERM) Plan was maintained and is currently under review. Due to the continuous evaluation of business needs of Colorado Springs Utilities, the ERM Plan is being revised to better align with the risks the organization is, and will be, facing. Due to changes in executive leadership of the organization in 2021, additional time to review and align to the ERM to strategic objectives will occur in 2022.

While in review status, the current ERM Plan ensured risks were identified, measured, monitored, managed, and reported for each of the five risk categories.

A. Energy Risk Management Plan - establishes procedures for limiting organizational exposure to price volatility and supports the acquisition or sale of energy that does not unreasonably jeopardize the ability to meet customer needs.

The Energy Risk Management Plan was maintained and remains current. This Plan reports energy-related commodity risks to operational groups and executive management. Additionally, the plan's processes and controls were in place for trade and settlement activities associated with transactions in these commodity markets.

B. Investment Plan - establishes investment scope, objectives, delegation of authority, standards of prudence, eligible investments and transactions, risk tolerance and safekeeping and custodial procedures for the investment of all funds.

The Investment Plan was maintained and remained current. Compliance was met by the handling of cash management investments with clear delegation of authorities as defined by the plan and adherence to Colorado state law regarding municipal investments.

C. Financial Risk Management Plan - establishes objectives and procedures for minimizing risk to support responsible compliance.

The Financial Risk Management Plan was maintained and remained current. Compliance was met by monitoring, managing and reporting of the portfolio of financial derivatives and associated counterparties and the enterprise exposure to interest rate risk. During the first half of 2022, Colorado Springs Utilities did not enter into any financial market transactions which are governed by the plan.



Date: August 17, 2022

To: Utilities Board

From: Aram Benyamin, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report
Asset Protection (I-8)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	January 1, 2022 – June 30, 2022
Policy Title (Number):	Asset Protection (I-8)	Reviewing Committee:	Finance
Monitoring Type:	Internal; City Auditor	Monitoring Frequency:	Semi-Annual; Annual

The Chief Executive Officer shall direct that enterprise assets are protected, adequately maintained and not unnecessarily risked. Accordingly, the CEO shall:

- 1. Protect enterprise assets including, but not limited to, water rights, rights of way, physical assets, cyber assets, intellectual property, records and information from loss or significant damage.*

Plans and programs are in place that address and comply with the expectations of this policy to include, but not limited to:

	Frequency of Update	Last Updated	Planning Horizon
Cyber Security:			
Cyber Security Incident Response Plan	Every 5 years	2022	5 years

Cyber Security Vulnerability Management Program	Every 3 years	2021	Ongoing
Cyber Security (Risk Management) Framework	Every 3 years	2018 ¹	Ongoing
Security Operations:			
Physical Security Program	5 years	2021	10 years
Physical Security for Rampart Dam and Reservoir and Tesla Hydro Plant	1 year	2021	Ongoing
Emergency Management:			
Emergency Operations Plan	3 years	2019	Ongoing
Emergency Continuity Plan	3 years	2019	Ongoing
Dam Emergency Action Plans	1 year	2021	Ongoing
Water Resource Recovery Facility Flood Emergency Evacuation Plans	1 year	2021	Ongoing
Facilities Management:			
Facilities Master Plan	5 years	2021	10 years
Facilities Maintenance Program	Annual	2021	10 years
Records and Information Management:			
Records Retention Program provides ongoing records compliance and disposition review and support	Ongoing	2020	3 years
Water Resources Management:			
Reporting of water use in accordance with decrees, permits and agreements	Ongoing	Ongoing	Ongoing
Watershed Management Plans	Ongoing	Ongoing	Ongoing

¹Will be updated by the end of 2022

2. *Allow real estate transactions that comply with the City of Colorado Springs Real Estate Manual.*

Colorado Springs Utilities collaborates with the Real Estate Services Office to ensure compliance with all requirements of:

- City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021 which was approved by City Council by Resolution 39-21 on March 23, 2021.

3. *Only sell, dispose of or allow use of assets at fair market value, except for de minimis contributions to community-oriented organizations.*

Colorado Springs Utilities is in compliance with Colorado Springs City Code §1.5.205, which states that all sales of personal property which are obsolete and unusable shall, except as otherwise specifically provided in this part, be based whenever possible on competitive bids.

4. *Protect the enterprise's public image and reputation.*

Colorado Springs Utilities strives to build and sustain a positive reputation through a comprehensive customer communications management program by providing timely, relevant and factual information to employees, customers, the utility industry and news media.



Date: Aug. 17, 2022

To: Utilities Board

From: Aram Benyamin, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report
Enterprise Innovation (I-14)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	July 1, 2021 – June 30, 2022
Policy Title (Number):	Enterprise Innovation (I-14)	Reviewing Committee:	Strategic Planning
Monitoring Type:	Internal		
Monitoring Frequency:	Annual		

The Chief Executive Officer shall encourage Colorado Springs Utilities to use best practices in innovation to achieve long-term needs of the community and enterprise strategic objectives. Accordingly, the CEO shall:

1. *Foster an environment within the workforce that promotes and rewards creativity, efficiency and empowerment.*

Innovation is integral to our value of Continuous Improvement. It integrates into our LEAN efficiency program and leaders at all levels are focused on creating a culture that encourages and fosters creativity by offering a better learning environment and promoting cross-functional teams to broaden development opportunities and invite a diversity of perspectives.

2. *Advance services and programs that achieve customer interests, community goals and enterprise objectives.*

Many innovative projects and programs have been explored over this reporting period as we navigate changing environments in energy and water. Improving customer service and

planning for the future of our community are always our priorities as we consider which innovative efforts best support our mission and vision. Innovative efforts and accomplishments over this reporting period include:

- Customer Technology Modernization program
- Water Direct Potable Reuse (DPR) program
- Electric and Gas Intergovernmental Agreement (IGA) with Fort Carson
- Temporary Natural Gas Generators (TNGGs) at Drake Power Plant
- AnnexCOS – Integrated Modeling
- Electric Vehicle (EV) Charging Station plan
- Agricultural transfers
- Biogas project
- Raw water pipe lining project

In addition to large innovative projects and programs, throughout the organization we are consistently looking for continuous improvement opportunities in processes and technology. Through our LEAN program, we encourage and empower employees to use their knowledge and expertise to find process improvements and efficiencies. Successes are shared enterprise-wide through various communication channels.

3. *Take reasonable risks, measure results and learn quickly from successes and failures.*

As we embrace a more innovative culture at Colorado Springs Utilities, we understand that not all new ideas can realistically be adopted or are successful. The leadership team is actively engaged in reviewing results of new technologies and processes to ensure we are realizing benefits and efficiencies. If benefits and improvements are not measurable, we evaluate options and change direction as needed.

4. *Engage the municipal government and community stakeholders to evaluate emerging utility services and technologies to ensure constructive collaboration.*

Colorado Springs Utilities hosted two Future of the Community Development Summits in 2021 which included stakeholders from the City of Colorado Springs, Colorado Springs Chamber & EDC, Colorado Springs Utilities, Housing & Building Association of Colorado Springs, Pikes Peak Regional Building Department, and We Fortify to discuss and promote collaboration regarding a wide range of topics related to the community growth and emergent technologies.

Colorado Springs Utilities hosted a Supplier Day event in May 2022 to promote collaboration among suppliers, vendors and customers throughout the community to find solutions to supply chain disruptions caused by the pandemic.



Date: Aug. 17, 2022
To: Utilities Board
From: Aram Benyamin, Chief Executive Officer
Subject: **Excellence in Governance Monitoring Report**
Utilities Board/Chief Executive Officer Partnership Expectations (E-2)

Desired Action: Monitoring

EXPECTATIONS	
Category:	Utilities Board/Chief Executive Officer Partnership Expectations
Policy Number:	E: 2 (Chief Executive Officer Responsibilities)

The Utilities Board and the Chief Executive Officer work in partnership to achieve excellence in governance and operations to attain long-term organizational success and sustainability.

August 2022 Water Outlook using data as of July 31, 2022

Locally, temperatures were above average and precipitation was above average in July. Demands were more than last year at this time.

2022 Demands: July use averaged 90 million gallons per day (MGD), which was about 1.7% less than last July. Year-to-date demand is averaging 63.1 MGD, which is 5.2% more than last year at this time. Temperatures in July were above the 30-year average at 74.7 degrees Fahrenheit, which was 2.2 degrees above normal. Year-to-date temperatures have averaged 51.3 degrees Fahrenheit, which is 1.1 degrees above normal. Total precipitation for July was 5.35 inches, which was 171.5% of normal. Year-to-date precipitation is 10.34 inches, which is 101.1% of normal.

Current Reservoir Levels: Local storage is currently at about 51,504 acre-feet (78% of capacity). The 1991-2021 average is 82% of capacity. Rampart Reservoir is at 79% of capacity, and Pikes Peak storage is at 71% of capacity. System wide, total storage is about 206,700 acre-feet (80% of capacity).

Last year at this time, total system wide storage was 83% of capacity. It was about 83% at this same time in 2020, about 89% of capacity in 2019, about 83% of capacity in 2018, about 93% of capacity in 2017, about 88% of capacity in 2016, about 93% of capacity in 2015, about 81% of

capacity in 2014, and about 57% in 2013. The 1991-2021 average system wide storage for the end of July is 83% of capacity.

Water Supply Outlook: Some drought conditions still remain across Colorado, but monsoon rains have brought much needed drought relief. The 12-week Evaporative Drought Demand Index (EDDI) shows dryness predominantly in eastern Colorado; persistence of this signal summer could predict deepening drought.

The three-month climate outlook continues to predict much higher chances of above-average temperatures and higher chances of below-average precipitation. We continue to closely monitor supply, demand and storage to maximize available water supply.

Operational Notes: Total system storage is at 80% of capacity and holds about 2.9 years of demand, which is slightly below average for the end of July. Local storage contains about 266 days of demand.

Electric Cost Adjustment (ECA)

On June 28, 2022, City Council approved the ECA rate of \$0.0523 per kWh effective July 1, 2022. As of July 31, 2022, the ECA under collection balance was \$17.7 million. The under-collection balance changed by \$5.3 million from the \$23.0 million under collection balance reported last month. Colorado Springs Utilities continues to provide regular updates to the Utilities Board and will propose adjustments as appropriate.

Gas Cost Adjustment (GCA)

On June 28, 2022, City Council approved the GCA rate of \$0.7117 per Ccf effective July 1, 2022. As of July 31, 2022, the GCA under collection balance was \$12.0 million. The under-collection balance changed by \$1.1 million from the \$13.1 million under collection balance reported last month. Colorado Springs Utilities continues to provide regular updates to the Utilities Board and will propose adjustments as appropriate.



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Water Outlook

Kalsoum Abbasi, PE

Planning Supervisor, Water Conveyance

August 17, 2022

Local Weather Conditions as of July 31, 2022

Precipitation (Inches of Moisture)

- July 2022 – 5.35 in. (171.5% of normal)
- 2022 YTD Total – 10.34 in. (101.1% of normal)

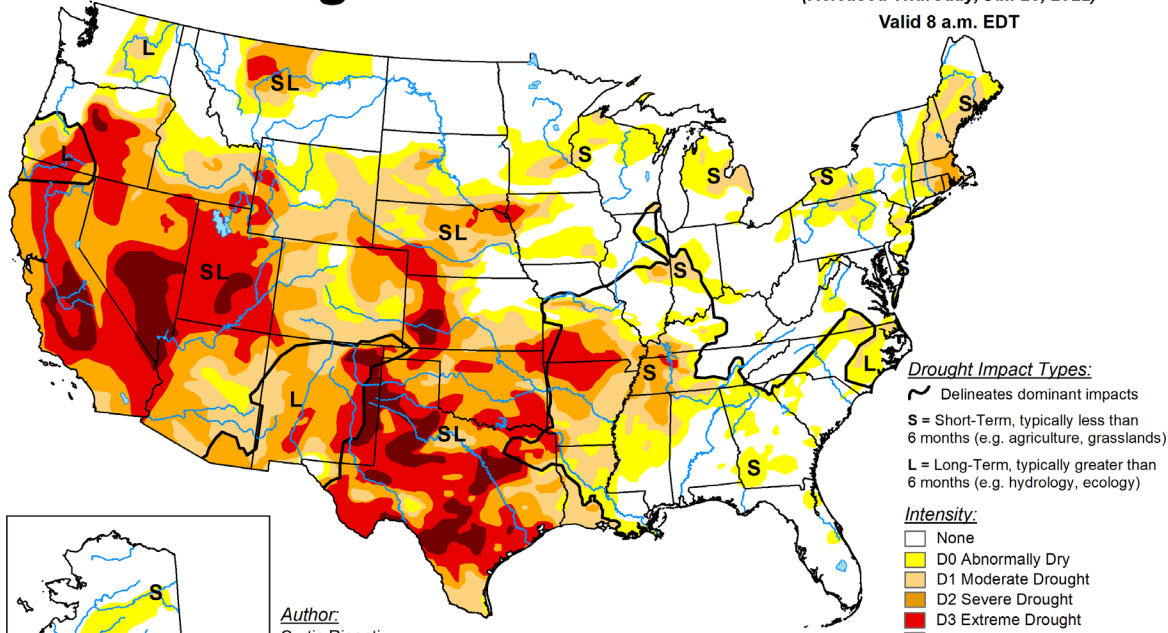
Average Temperature (Degrees F)

- July 2022 – 74.7 Deg. (2.2 deg. above normal)
- 2022 YTD Average – 51.3 Deg. (1.1 deg. above normal)



U.S. Drought Monitor

July 26, 2022
 (Released Thursday, Jul. 28, 2022)
 Valid 8 a.m. EDT



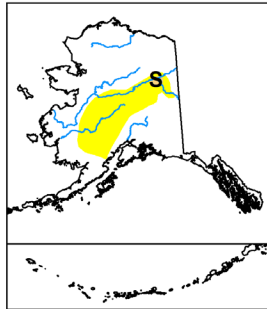
Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

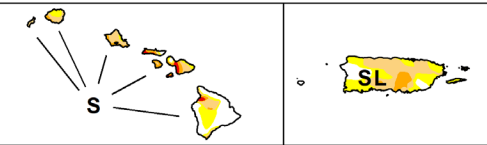
Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

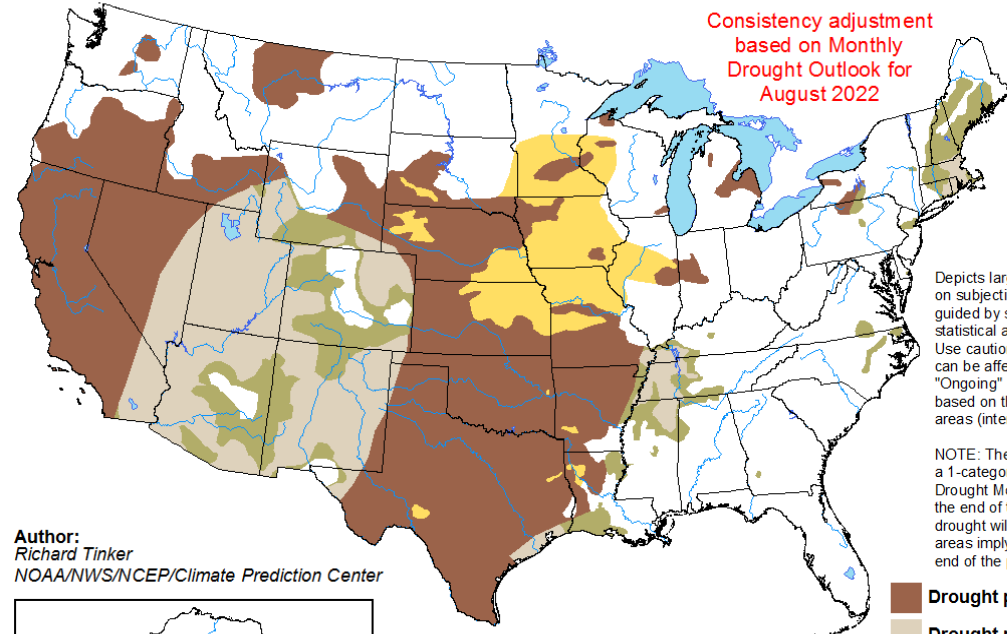


Author:
 Curtis Riganti
 National Drought Mitigation Center



U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for August 1 - October 31, 2022
 Released July 31, 2022



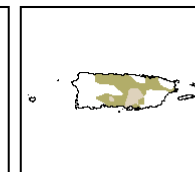
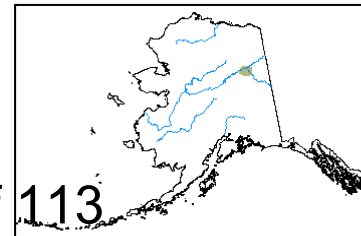
Consistency adjustment
 based on Monthly
 Drought Outlook for
 August 2022

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely

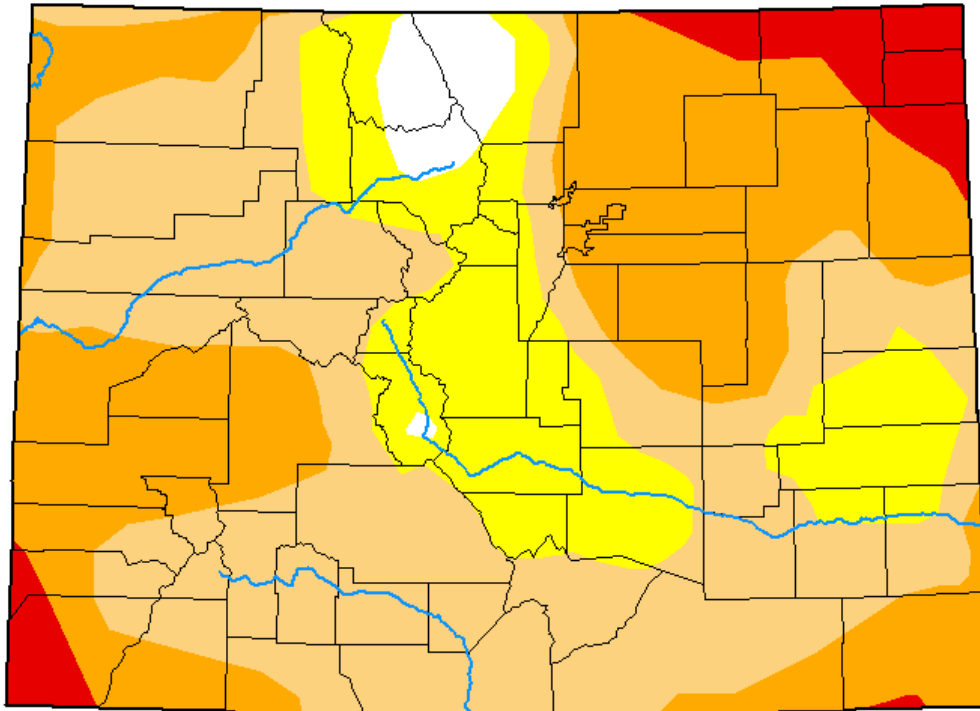
Author:
 Richard Tinker
 NOAA/NWS/NCEP/Climate Prediction Center









<http://go.usa.gov/3eZ73>

U.S. Drought Monitor Colorado

July 26, 2022
(Released Thursday, Jul. 28, 2022)
Valid 8 a.m. EDT



Intensity:

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

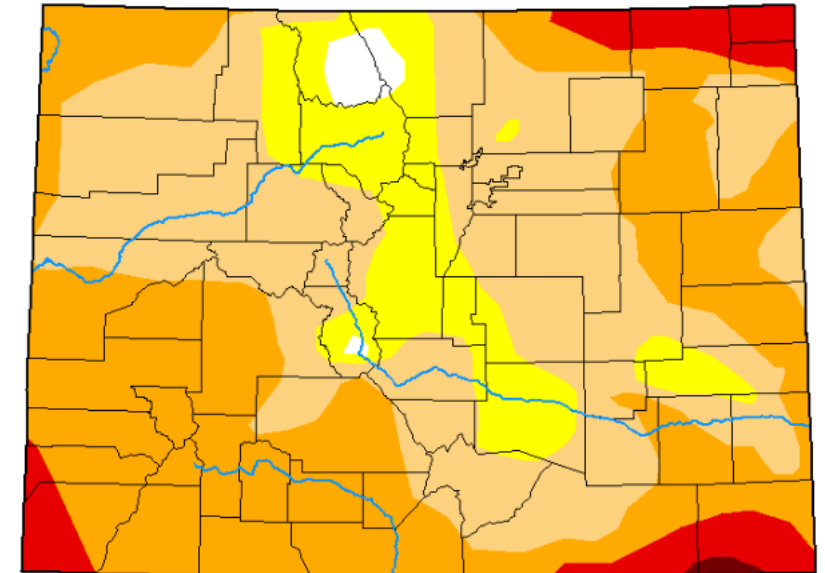
Author:

Curtis Riganti
National Drought Mitigation Center

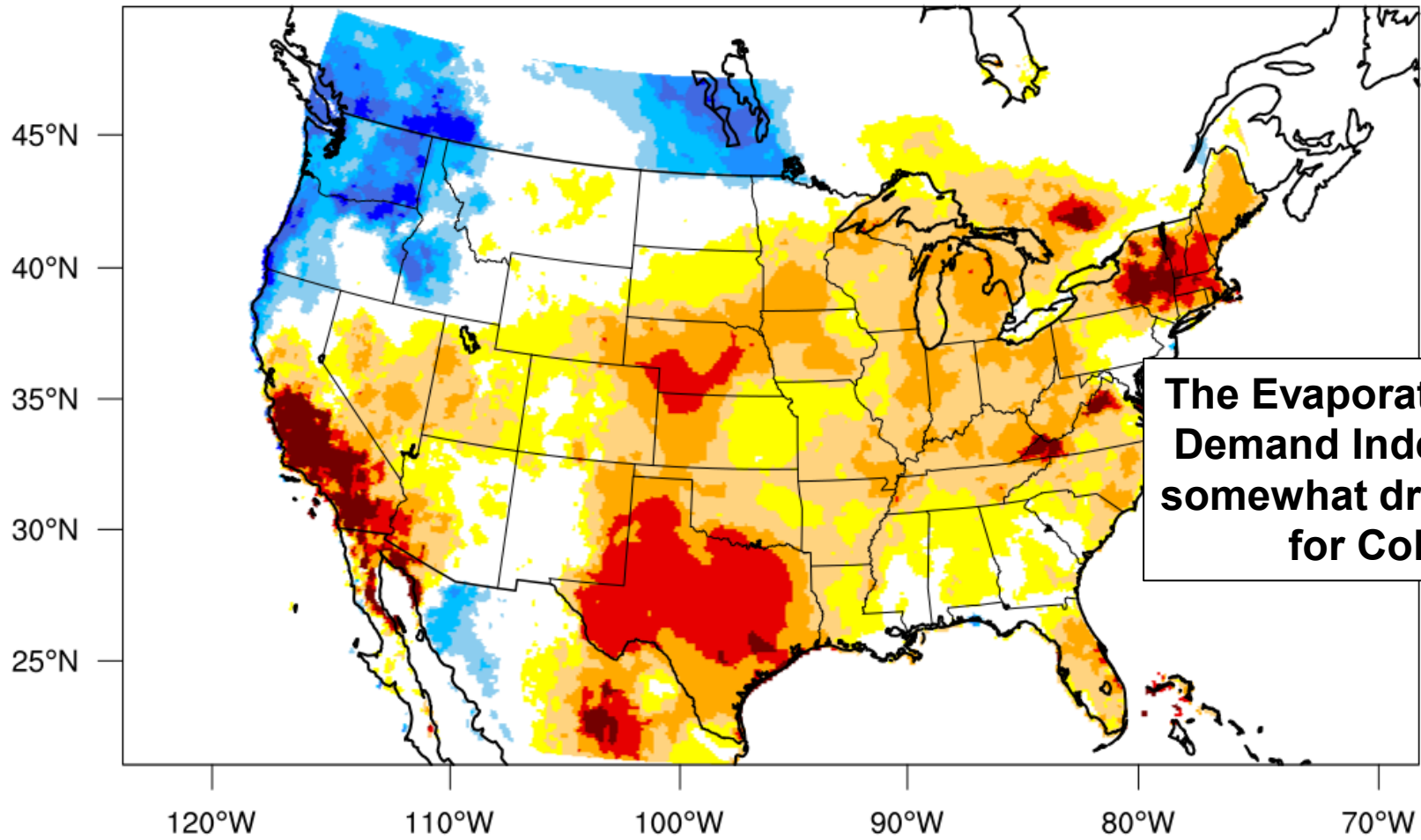


droughtmonitor.unl.edu

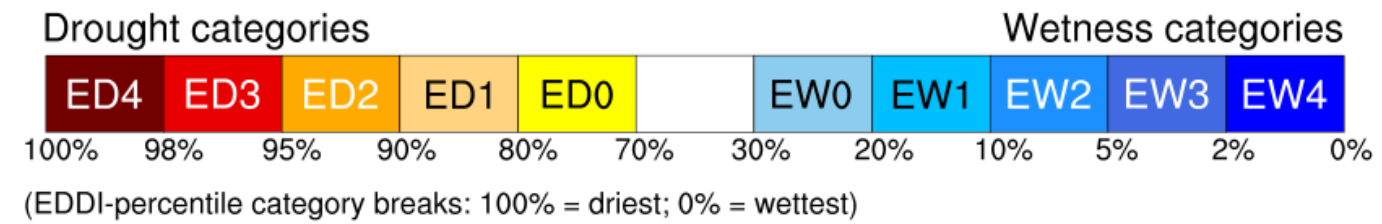
Last Month: June 28, 2022



12-week EDDI categories for July 28, 2022



The Evaporative Drought Demand Index indicates somewhat dry conditions for Colorado



Generated by NOAA/ESRL/Physical Sciences Laboratory

2022 Demands

July

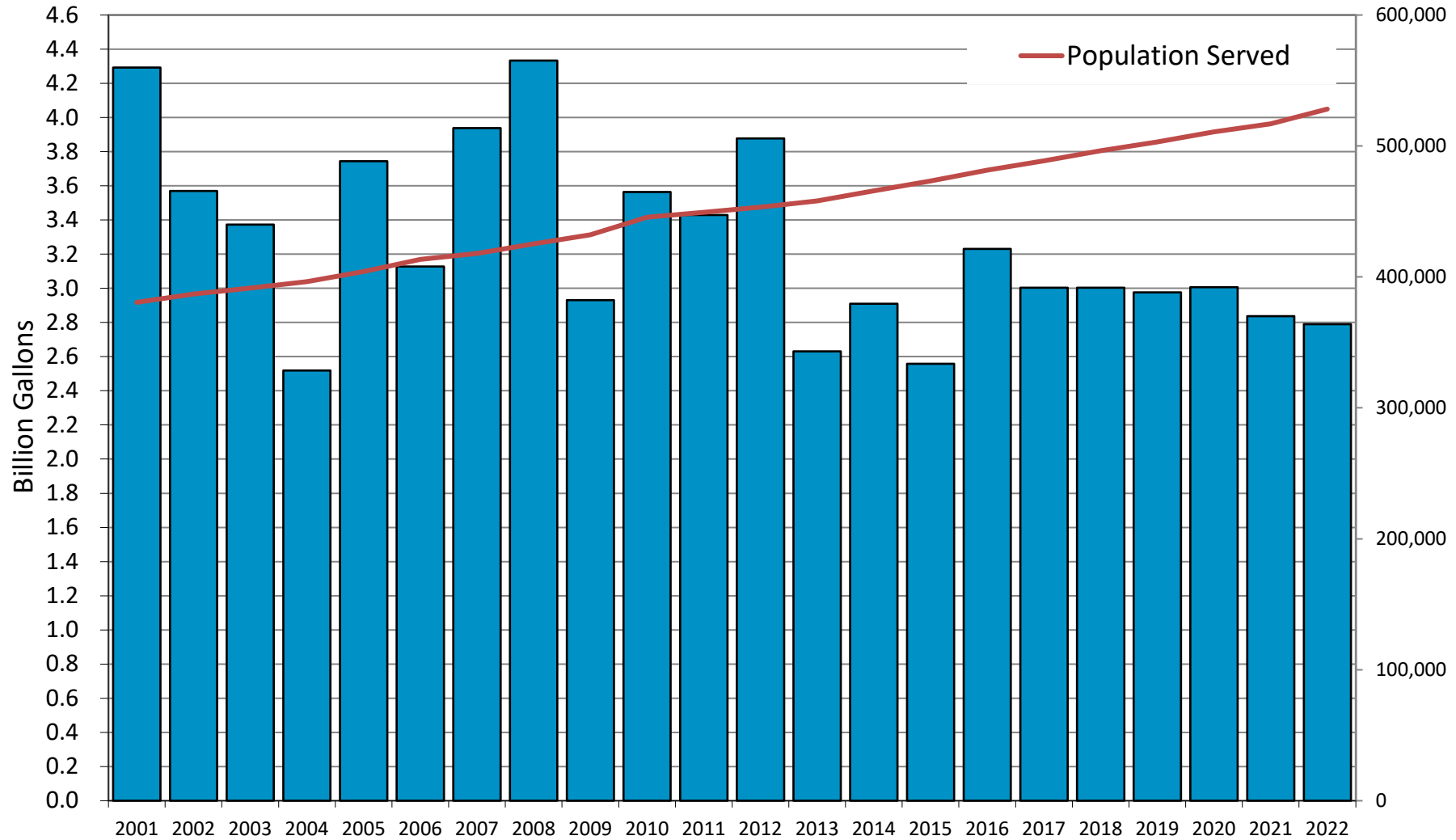
- Averaged 90 MGD
- 1.7% less than July 2021

2022 Year to Date

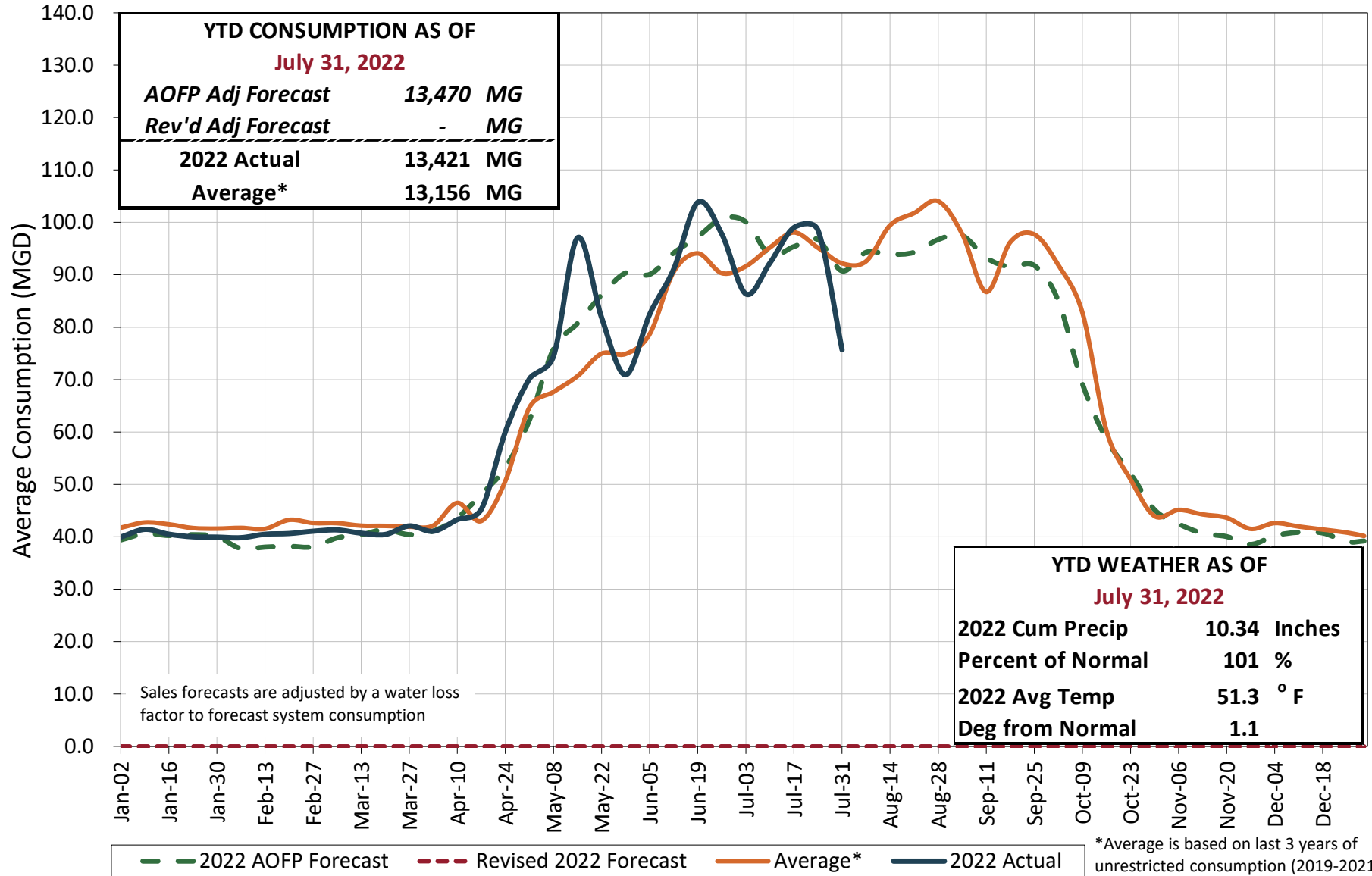
- Averaging 63.1 MGD, 13.4 BG total
 - 5.2% more than 2021
 - 0.67 Billion Gallons more than 2021



Monthly Water Use for July



2022 Actual Consumption (Weekly Data)



Reservoir Levels

July 31, 2022

- Pikes Peak 65 %
 - 91-21 Avg. 71 %
- Rampart 86 %
 - 91-21 Avg. 79 %
- Local Total 78 %
 - 91-21 Avg. 76 %
- System Total 80 %
 - 91-21 Avg. 82 %



Colorado Springs' System Wide Storage:

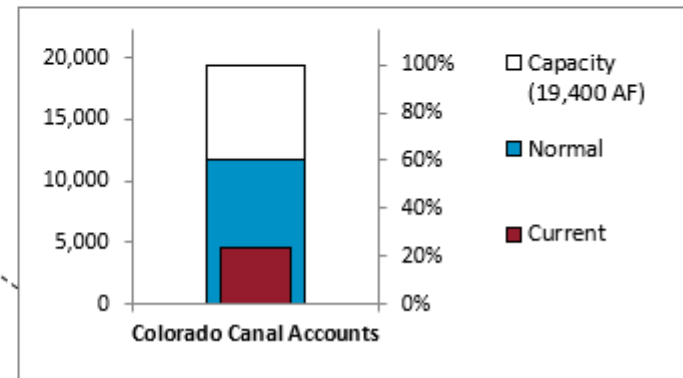
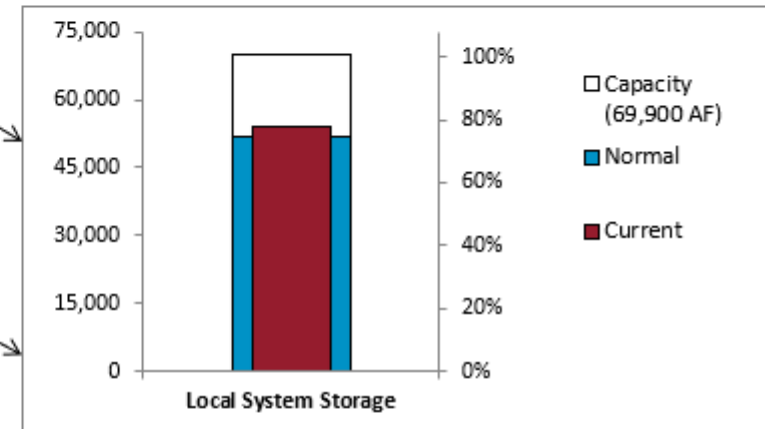
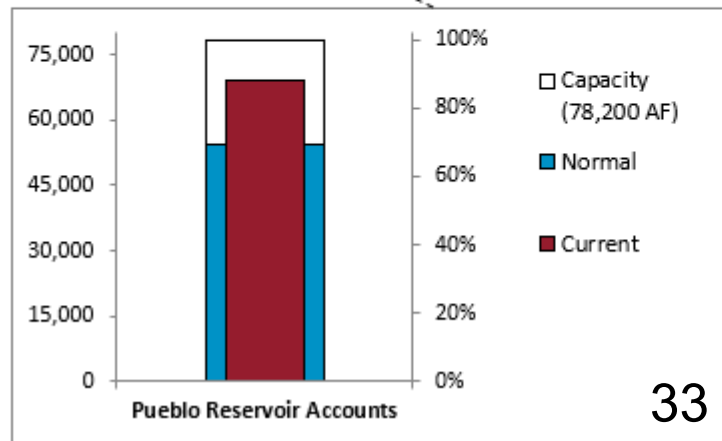
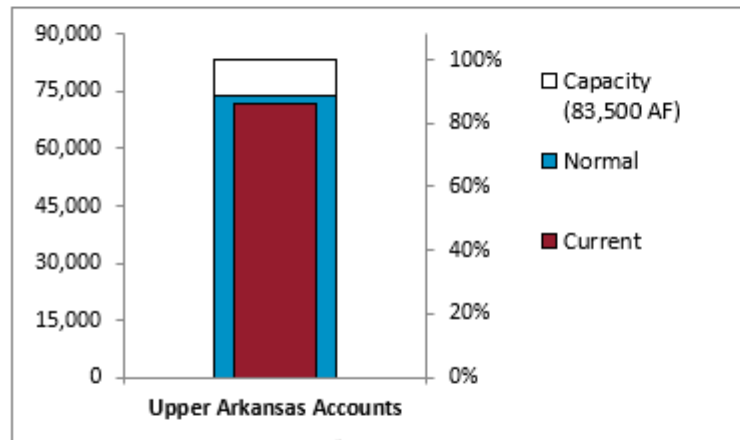
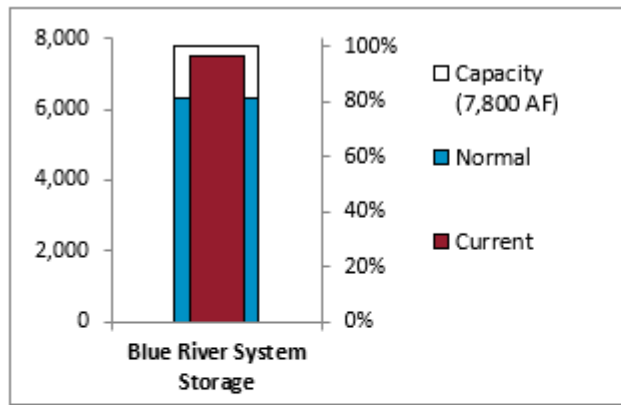
July 31, 2022 206,700 af

79.9 %

2001-2021 avg 198,200 af

76.6 %

Average YTD Demand 63 MGD



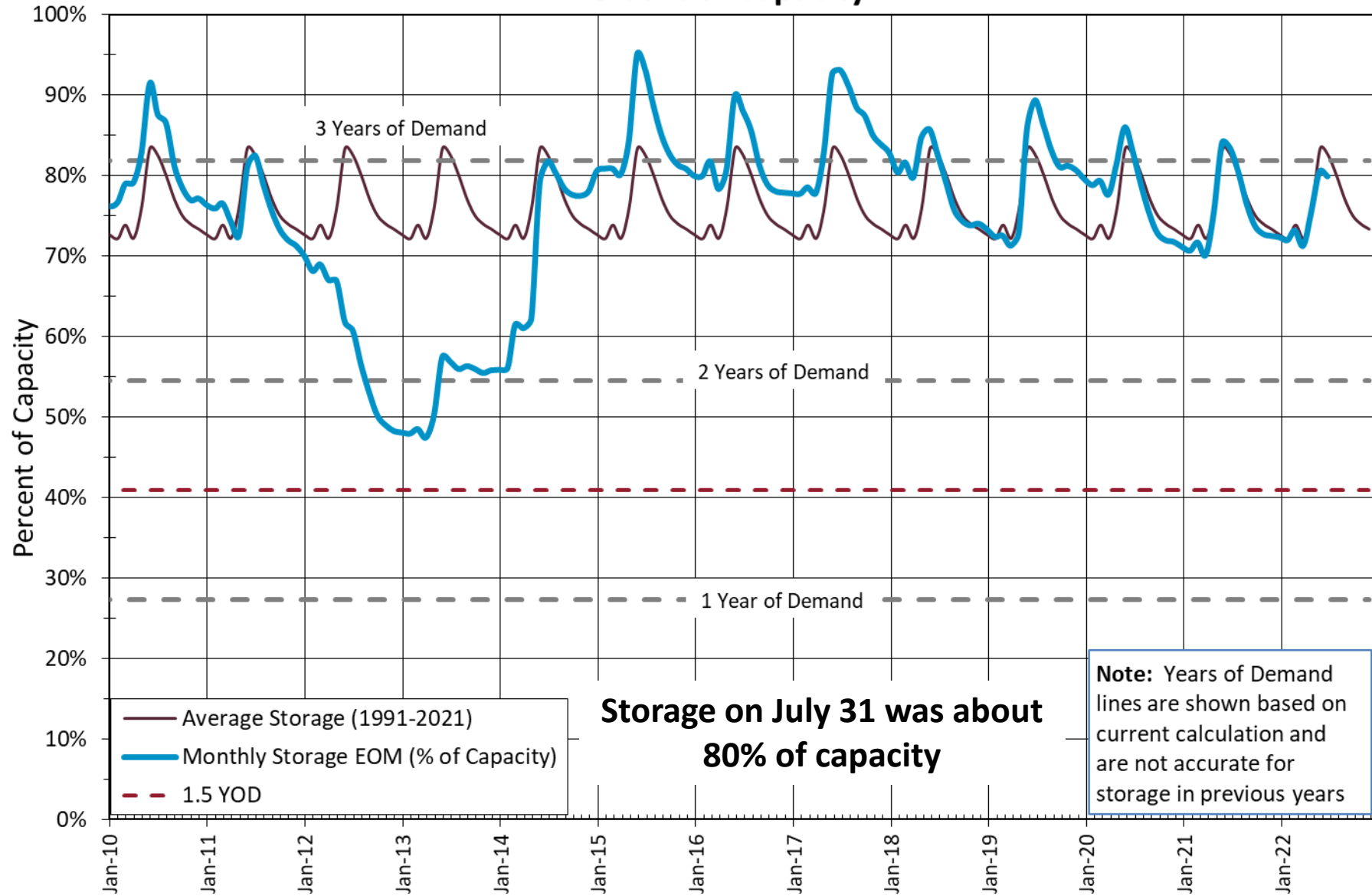
MAX. 20 MGD

MAX. 68 MGD

TO DIST.



Monthly Storage Percent of Capacity



2022 Regional Water Contracts

Donala Water & Sanitation District

- Through July 31, 2022: Conveyed 81.1 AF for \$313,084
- Premium to Municipal Government: \$52,181

Security Water District

- Through July 31, 2022: Conveyed 17.0 AF for \$79,746
- Premium to Municipal Government: \$13,291

Outside Service Area Augmentation Leases - PF, LLC (Seven Falls), Emerald Valley Ranch

- Through July 31, 2022: Leased 3.0 AF for \$1,647
- Premium to Municipal Government: \$274

Total 2022 YTD Revenue from Regional Contracts: \$394,476



Water Outlook

- Situation Outlook Summary
 - System-wide storage at 80% of capacity, slightly below our long-term average
 - About 2.9 years of demand in storage, based on the past 3 years of demand
 - Have 266 days of demand in local storage
- The 12-week EDDI shows somewhat dry evaporative demands, particularly for eastern CO; Conditions have improved but remain primarily dry across the state; Persistence of the dry signal could predict a summer drought
- Three-month outlook predicts
 - Much higher chances of above-average temperatures across Colorado
 - Higher chances of below-average precipitation across Colorado
- We continue to monitor supply, demand, and storage to maximize available water supply



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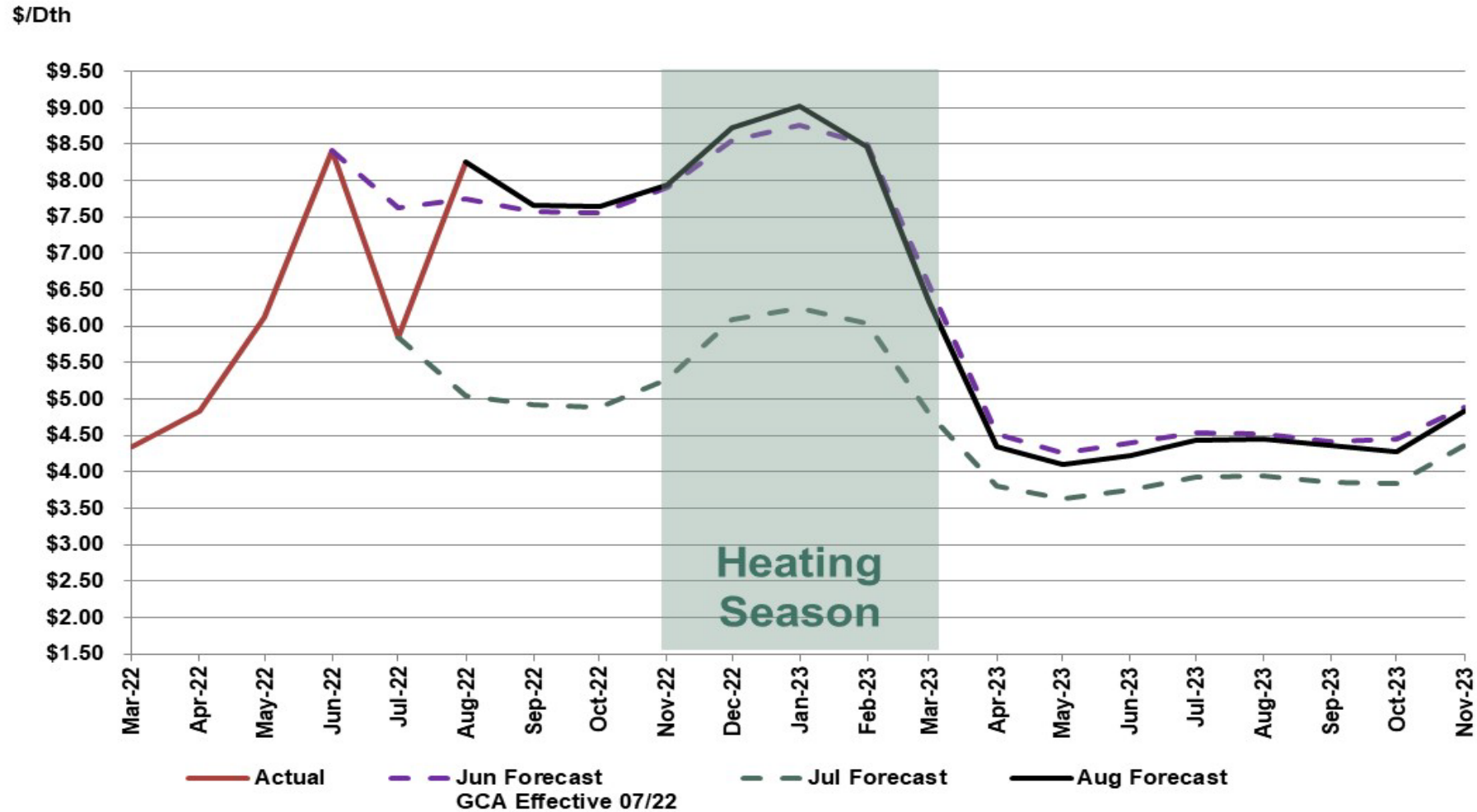
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Electric Cost Adjustment Gas Cost Adjustment

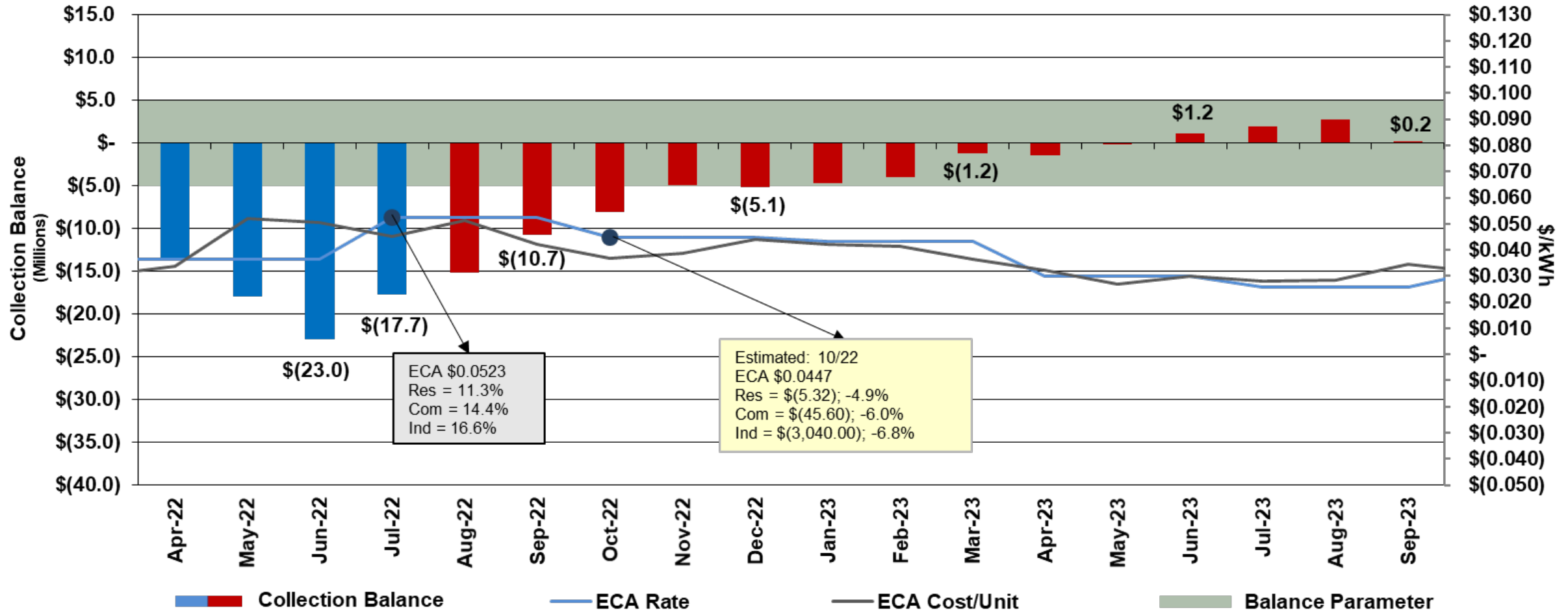
Scott Shirola, Pricing and Rates Manager

August 17, 2022

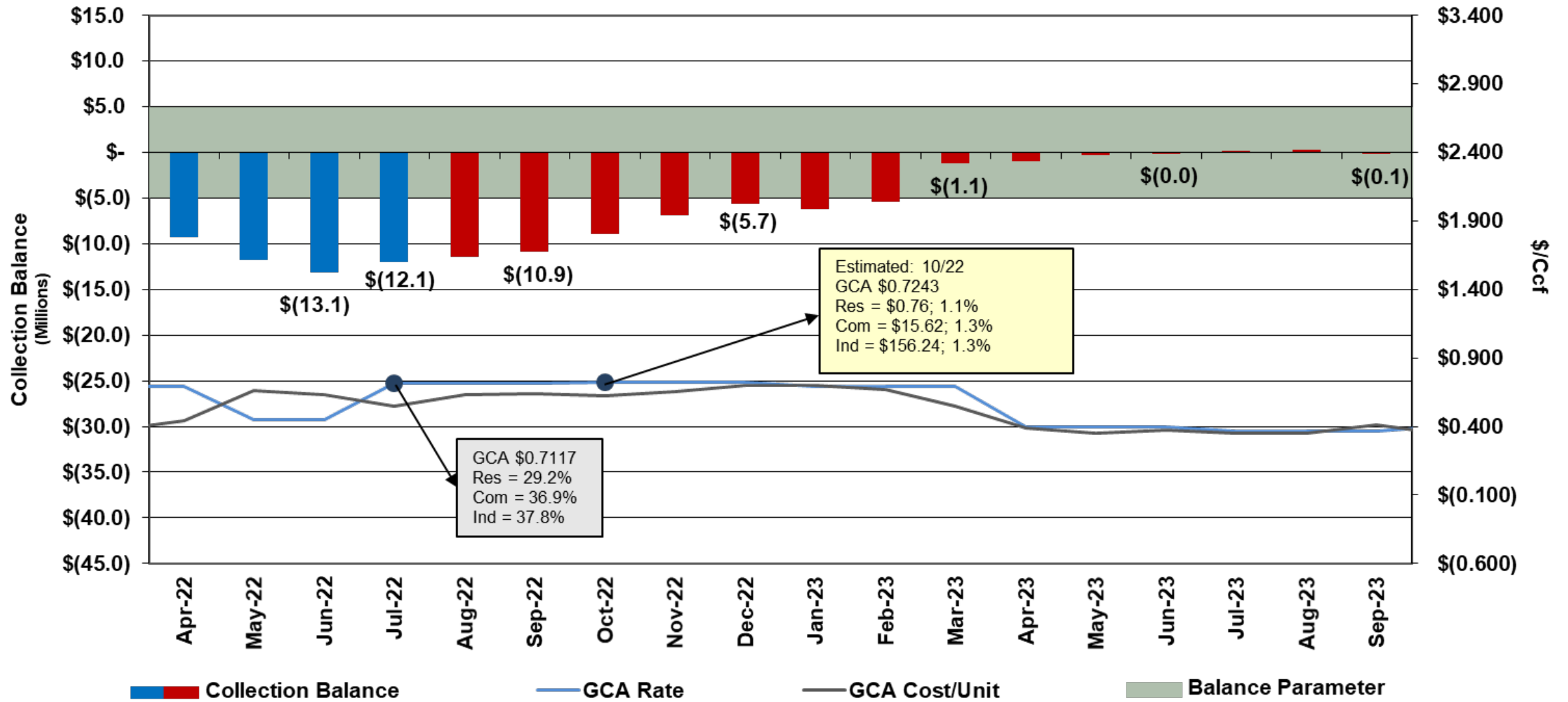
Natural Gas Prices as of August 1, 2022



ECA Projections August 2022



GCA Projections August 2022





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Board Memo Agenda Item

Staff Report

Date: Aug. 17, 2022
To: Utilities Board
From: Aram Benyamin, Chief Executive Officer
Subject: Proposed Changes to Utilities Policy Advisory Committee (UPAC) Bylaws

NARRATIVE:

Desired Action: Approval

Executive Summary: A thorough review was completed recently of the Utilities Policy Advisory Committee bylaws. Based on this review, it was determined changes should be made to the bylaws to remove obsolete provisions related to the mailing and delivering of meeting notices and agendas. This information is now delivered electronically and shared on csu.org for public consumption.

Other notable changes include allowing the Manager of Strategic Planning and Governance (SPG) and the UPAC liaison the ability to work with UPAC members directly on adding agenda items to meeting agenda. Currently, members are required to go *only* through the CEO's Office, but by adding the SPG manager and UPAC liaison to the bylaws, UPAC members will have more flexibility in who they can contact.

If approved by the Utilities Board at the Aug. 17 meeting, the UPAC bylaws will be updated and uploaded on csu.org.

Benefits: Updating the bylaws removes outdated rules and guidelines related to how information is shared with UPAC members.

Board Policy: Utilities Policy Advisory Committee (UPAC) bylaws are impacted.

Cost/Budget: N/A

Affected Parties: UPAC members and Colorado Springs Utilities staff that supports UPAC.

Alternatives: If the Utilities Board rejects the proposed UPAC bylaws changes, then the bylaws will remain as they currently are.

Submitter: Natalie Watts

Email address: nwatts@csu.org

Division/ Customer and Enterprise Services/

Phone number: 719-668-3827

Department: Public Affairs Department

Date submitted: Aug. 1, 2022

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO. 8



Colorado Springs Utilities
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Suggested Revisions to UPAC Bylaws

Natalie Watts, Manager – Strategic Planning and Governance

Aug. 17, 2022

Our bylaws state that any changes to them must be approved by the Utilities Board.



Remove
obsolete
provisions
related to
mailing and
delivering of
meeting notices
and agendas.



UPAC Bylaws Suggested Changes

Current

Rule 5. – MEETINGS (pg. 6)

(c) ... The notice shall be served at least 24 hours prior to the time of such meeting. The notice shall be served personally by leaving the same at the usual place of residence of each Committee member, or by fax or electronic mail at the number or address shown on the secretary's records.

Proposed

Rule 5. – MEETINGS (pg. 6)

*(c) ... The notice shall be served at least 24 hours prior to the time of such meeting. The notice shall be served personally **or by email to each Committee member at the email address shown on the secretary's records.** ~~by leaving the same at the usual place of residence of each Committee member, or by fax or electronic mail at the number or address shown on the secretary's records.~~*

UPAC Bylaws Suggested Changes

Current

Rule 5. – MEETINGS (pg. 6)

(h) The Chief Executive Officer shall be responsible for preparation of a draft agenda for each regular Committee meeting. The draft agenda shall be reviewed by the Chair who shall have final authority as to the items included on the agenda in addition to the items required by the Committee's annual planning calendar.

Proposed

Rule 5. – MEETINGS (pg. 6)

(h) The Chief Executive Officer shall be responsible for preparation of a draft agenda for each regular Committee meeting. The draft agenda shall be reviewed by the Chair who shall have final authority as to the items included on the agenda ~~in addition to the items required by the Committee's annual planning calendar.~~

UPAC Bylaws Suggested Changes

Current

Rule 5. – MEETINGS (pg. 6)

(i) Copies of the agendas with attachments for regular meetings will be distributed to Committee members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

Proposed

Rule 5. – MEETINGS (pg. 6)

(i) ~~Copies of the a~~ Agendas with attachments for regular meetings will be distributed to Committee members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

UPAC Bylaws Suggested Changes

Current

Rule 5. – MEETINGS (pg. 6)

(j) Committee members may request agenda items be included on an agenda by contacting the Chief Executive Officer's Office. The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Tuesday of the week preceding the regular meeting.

Proposed

Rule 5. – MEETINGS (pg. 6)

*(j) Committee members may request agenda items be included on an agenda by contacting the Chief Executive Officer's Office **or the Manager of Strategic Planning and Governance (SPG) or the UPAC liaison.** The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Tuesday of the week preceding the regular meeting.*

UPAC Bylaws Suggested Changes

Current

Rule 11. – EXPENSE REIMBURSEMENT (pg. 9)

(a) Committee members and alternates are expected to participate in a variety of education and training programs in order to make the more experienced in matters involving the utility industry and to gain insight to developing trends in the industry. ... Each year the Committee and the Chief Executive Officer shall establish agreed upon expectations as to the participation of Committee members and alternates in such activities during the year.

Proposed

Rule 11. – EXPENSE REIMBURSEMENT (pg. 9)

*(a) Committee members and alternates are **expected encouraged** to participate in a variety of education and training programs in order to make the more experienced in matters involving the utility industry and to gain insight to developing trends in the industry. ... ~~Each year the Committee and the Chief Executive Officer shall establish agreed upon expectations as to the participation of Committee members and alternates in such activities during the year.~~*



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**UTILITIES POLICY
ADVISORY COMMITTEE**

BYLAWS

Revised and Approved by the Utilities Board

Effective Aug. 17, 2022

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UTILITIES POLICY
ADVISORY COMMITTEE
BYLAWS**

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**COLORADO SPRINGS UTILITIES
UTILITIES POLICY
ADVISORY COMMITTEE
BYLAWS**

**RULE 1. - COMMITTEE
AUTHORITY AND PURPOSE**

(a) The Utilities Policy Advisory Committee (“UPAC” or “Committee”) was recognized by Colorado Springs Ordinance No. 03-204.

(b) The Committee is authorized to provide recommendations to the City Council, acting as Utilities Board (“Utilities Board”) regarding the various overall strategic operating and financial policies for Colorado Springs Utilities (“Utilities”). The Committee may receive information about operational activities, but does not have review or approval authority over activities carried out in furtherance of established policies. The Chief Executive Officer of Utilities (“Chief Executive Officer”) is solely responsible for the definition and implementation of activities and subsidiary policies as needed to carry out policy direction adopted by the Utilities Board. Questions as to whether those activities are consistent with established policies will be determined by the Utilities Board.

(c) The Utilities Board will direct the Committee to study specific issues or policies and provide recommendations to the Utilities Board, as appropriate.

**RULE 2. - COMMITTEE
COMPOSITION AND CONDUCT**

(a) The Committee is composed of seven regular members appointed by the Utilities Board for staggered terms. All members are limited to a maximum of three consecutive three-year terms. Up to two Committee members may reside outside of the corporate limits of the City of Colorado Springs, so long as either (1) the member resides within Utilities service area for at least one utility service, or (2) the member resides in El Paso County and works at business or organization premises located inside the corporate limits of the City of Colorado Springs.

(b) The Committee, when considering all of its members, shall comprise balanced professional, business, and community perspectives.

(c) Members of the Committee serve without compensation for their services but may be reimbursed for actual expenses, in accordance with Utilities policies and procedures.

(d) Committee members are subject to the provisions of the City of Colorado Springs Code of Ethics (City Code §§ 1.3.101 *et seq.*), and should employ independent objective judgement in providing policy advice and recommendations to the Utilities Board. Without limitation of the foregoing, the following Rules of Conduct shall apply to Committee members:

(1) If a Committee member chooses to seek employment with Utilities, that member shall notify the Chief Executive Officer and the Utilities Board of the application, and the member applying for employment

shall be excused from attending Committee meetings and participating in Committee deliberations while the employment application is pending. The Utilities Board may authorize an alternate member (see Rule 2 (i) for description of an alternate member) to serve in place of the regular member who is applying for employment with Utilities. If the Committee member is not selected for employment with Utilities, that member shall be reinstated to full Committee participation. If the Committee member accepts employment with Utilities, the Committee member promptly shall resign from the Committee.

(2) Committee members are not precluded from offering or providing products and services to Utilities under Utilities' applicable procurement procedures or from offering or supplying products or services to contractors providing products or services to Utilities. However, Committee members should not offer or contract to supply products or services to Utilities or Utilities' contractors that conflict with the Committee member's responsibilities as a member of UPAC. Committee members shall not use their position on UPAC to influence the procurement decisions of Utilities or its contractors. In the event any Committee members desires to provide products or services to Utilities or a contractor for Utilities, that Committee member shall notify the Chief Executive Officer of the proposed offering. The Chief

Executive Officer shall consult with the Chair of the Utilities Board concerning the proposed offering. Provided that the Chief Executive Officer, after consultation with the Chair of the Utilities Board, determines that the proposed products or services offering does not conflict with the Committee member's responsibilities, the Committee member may proceed with offering the products or services and may contract to provide such products or services to Utilities if selected under Utilities' applicable procurement procedures or to a contractor for Utilities. If the Chief Executive Officer, after consultation with the Chair of the Utilities Board, determines that the proposed products or services offering does conflict with the Committee member's responsibilities, the Committee member may choose to resign from the Committee and to continue to pursue the offering or the Committee member may choose to refrain from pursuing the offering, in which case the Committee member may continue participation on the Committee. This restriction shall apply to Committee members and any company or organization employing the Committee member.

(3) In the event any Committee member has questions or concerns under the City of Colorado Springs Code of Ethics about the propriety of any action the Committee member is contemplating, the Committee member shall contact an attorney in the City Attorney's Office Utilities Division or the City Attorney for guidance.

(e) Regular attendance of Committee members is expected in order for the Committee to function effectively.

(f) Upon recommendation by the Committee, the Utilities Board may remove any members of the Committee who fail to attend three or more regular meetings each year.

(g) Upon request of the Chair of the Committee or the Chief Executive Officer, the Utilities Board may remove any member who violates ethical or confidentiality requirements.

(h) Should a vacancy exist for retirement, resignation, removal, etc., the Utilities Board will appoint an eligible replacement member to fill the remaining term.

(i) The Utilities Board may appoint alternate members of the Committee to gain experience and observe the Committee's deliberations and actions. Alternates may participate in the discussion of the Committee; shall not participate in Executive Sessions; shall not vote in any matter as an alternate; and shall not substitute for a regular Committee member except when authorized by the Utilities Board under the provisions of Rule 2 (d). For this reason, alternate members shall also comply with the requirements of Rule 2 (d) (1)-(3). Alternate members will be eligible for appointment by the Utilities Board to the Committee as a regular member whenever a vacancy occurs for which the alternate member is qualified.

RULE 3. - COMMITTEE OFFICERS

(a) The officers of the Committee are the Chair and Vice Chair. The Chair

shall be elected by a majority vote of the Committee members following nomination(s) by a member or members of the Committee, which nomination(s) must be seconded. The Vice Chair shall be elected in the same manner as the Chair. If a nominee fails to get elected, nominations shall be reopened. The Chair and Vice Chair shall have a voice and shall vote in the selection of the officers of the Committee. Committee members shall not serve more than two consecutive years as Chair and not more than two consecutive years as Vice Chair. The Committee shall elect the Chair and Vice Chair for the next calendar year at the Committee's December meeting of the previous year.

(b) The Chair shall chair all meetings of the Committee and shall be the spokesperson for the Committee in communicating any recommendations to the Utilities Board. The Vice Chair shall serve as the Chair when the Chair is absent or unavailable. If both the Chair and Vice Chair are absent from a regular or special meeting, the Committee shall designate its most senior member present who is willing to serve to chair that meeting, or in case there are multiple members present with equal seniority willing to serve, the Committee shall designate a chair by majority vote of members present.

(c) The Chief Executive Officer or a designee shall serve as secretary to the Committee.

RULE 4. - SUBCOMMITTEES

The Chair will appoint Committee members to such subcommittees as are established from time to time by the Committee to assist in carrying out its

responsibilities. If a Subcommittee consists of three or more members, Rule 5 shall apply.

RULE 5. - MEETINGS

(a) The Committee shall designate the times and expected duration of regular meetings by motion and majority vote as necessary from time to time.

(b) The place of the regular meetings of the Committee shall be specified in the meeting notice and the agenda.

(c) Special meetings of the Committee may be held at such time and place as stated in the notice of the meeting. The Chair may, or, upon the request of three Committee members shall, call special meetings of the Committee by notice to each of the Committee members in writing, which notice shall state the purpose for which the meeting is called. The notice shall be served at least 24 hours prior to the time of such meeting. The notice shall be served personally or by email to each Committee member at the email address show on the secretary's records. ~~by leaving the same at the usual place of residence of each Committee member, or by fax or electronic mail at the number or address shown on the~~

~~(d) A majority of the regular members of the Committee shall constitute a quorum.~~

(e) The Committee by majority vote of members present may recess a regular or special meeting to a time specified in the motion therefore.

(f) Public notice of all regular and special meetings of the Committee shall at all times meet governing legal requirements.

(g) The format of the agenda, order of business, designation of agenda topics therein and the Committee's annual planning calendar shall be determined by the Committee.

(h) The Chief Executive Officer shall be responsible for preparation of a draft agenda for each regular Committee meeting. The draft agenda shall be reviewed by the Chair who shall have final authority as to the items included on the agenda ~~in addition to the items required by the Committee's annual planning calendar.~~

~~(i) Copies of the a~~Agendas with attachments for regular meetings will be distributed to Committee members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

(j) Committee members may request agenda items be included on an agenda by contacting the Chief Executive Officer's Office or the Manager of Strategic Planning and Governance or the UPAC liaison. The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Tuesday of the week preceding the regular meeting. For good cause, the Chair may authorize additional agenda items to be placed on the agenda for an upcoming meeting after the standard deadline provided that public notice of such additional agenda item(s) is given in accordance with legal requirements and provided notice thereof is given to Committee members in the same manner as required for a notice of special meeting under Rule 5 (c).

(k) At all regular and special meetings, the Chair, acting chair, Chief Executive Officer, or Chief Executive Officer's designee shall announce agenda items

prior to Committee consideration of each item.

(l) Any Committee members desiring to speak or to make a motion shall address the Chair as “Mr. (or “Madam”) Chair,” and the Chair shall thereupon pronounce the name of the Committee member entitled to the floor. Committee members addressing the Committee shall confine themselves to the issues being discussed.

(m) A Committee member’s attendance at a Committee meeting may be achieved electronically and/or telephonically with the prior approval of the Committee Chair.

RULE 6. - CUSTOMER AND PUBLIC COMMENT

(a) Committee meetings are generally expected to involve discussion between the Committee and Utilities staff.

(b) At the discretion of the Chair, or the majority of the Committee members present, customers and members of the public will be allowed to comment or ask questions concerning items discussed at regular meetings or concerning matters discussed at special meetings. Comments or questions by individuals will be limited to five minutes each, and all customer or public comments will not exceed twenty minutes on any agenda item unless time is extended by the Chair or majority of the Committee members present.

(c) Customers and members of the public may address the Committee in person, electronically, or telephonically.

RULE 7. - COMMITTEE ACTIONS

(a) The Committee may take formal action only by motion and vote.

(b) Motions shall be approved by the majority vote of the quorum, except that the affirmative votes of four members of the Committee are required for adoption or revision of Committee recommendations to the Utilities Board including adoption or revision of the Bylaws. If the Committee does not unanimously agree to a recommendation supported by at least four members of the Committee, dissenting members shall have the right to communicate their views to the Utilities Board as an addendum to the recommendation of the Committee.

(c) A voice vote will be used for all Committee items requiring a vote, with any dissenting votes or abstentions recorded in the minutes of the Committee meeting at the request of any Committee member. An additional roll call vote may be used as necessary for clarity or in the event a Committee member is participating electronically and/or telephonically.

RULE 8. - MOTIONS PROCEDURES

(a) When a motion is made and seconded, it may be restated by the Chair or by the Chief Executive Officer before a debate and again before the final vote.

(b) Roberts Rules of Order shall govern the consideration of motions and transaction of business by the Committee.

RULE 9. - MINUTES AND RECORDINGS

(a) The Chief Executive Officer will be responsible for keeping minutes of all Committee meetings. Minutes of the previous regular meeting and any special meetings occurring in the previous month shall be included in each Committee member’s agenda packets for distribution prior to each regular meeting and the Committee will review and approve the minutes as part of its regular meeting agenda.

(b) Copies of the minutes shall also be provided to members of the Utilities Board.

(c) All regular and special Committee meetings will be recorded, and the audio recordings will be archived.

(d) Minutes of Committee meetings shall be archived and then posted on Colorado Springs Utilities’ website, for a minimum of three (3) years, in order to be available for public access.

RULE 10. - EXECUTIVE SESSION PROCEDURES

(a) The Chief Executive Officer and an attorney in the City Attorney’s Office Utilities Division shall prepare the agenda for an Executive Session of the Committee meeting. The agenda shall include those items that may be discussed in closed session.

(b) In compliance with the Colorado Open Meetings Law, prior to convening an Executive Session, the Chair shall announce the general topics of the Executive Session as set forth below. If two thirds of the Committee members

present consent to an Executive Session, the item may be discussed in a closed Executive Session. If two thirds of Committee members do not consent to an Executive Session, the items may be discussed in open session or withdrawn.

(c) No adoption of any proposed Committee action, recommendation or policy advice to the Utilities Board shall occur in Executive Session. However, Committee members may receive information and provide direction in Executive Session for consideration as provided by law in the following areas as they affect the responsibilities of the Committee:

(1) Purchase, acquisition, lease, transfer, or sale of any real, personal or other property interests.

(2) Conferences with the City Attorney or other attorneys for Utilities, for the purposes of receiving legal advice on specific legal questions, issues or matters.

(3) Matters required to be confidential by federal or state law or rules and regulations.

(4) Specialized details of security arrangements or investigations.

(5) Determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

(6) Consideration of any documents protected by mandatory nondisclosure provisions of the Colorado Open Records Act or other information which is

considered confidential or proprietary and, thus, would not be subject to the disclosure requirements of the Colorado Open Records Act.

(d) All discussions and documents provided in Executive Session are confidential and proprietary information, and Committee members shall not use such confidential information for purposes other than their responsibilities as a Committee member. Further, Committee members shall not release any confidential or proprietary information to any third party without the express consent of the Chief Executive Officer.

(e) To the extent required by law, executive sessions will be recorded and the audio recordings will be archived. All such recordings shall be confidential records.

(f) Nothing herein shall restrict the Committee from deciding to hold an Executive Session regarding any other agenda item provided such decision meets the criteria set forth in subparagraph 10 (c) above and the required notice has been provided.

(g) Prior to entering into any Executive Session, Committee members participating electronically or telephonically shall ensure that no other individual not authorized to participate in the Executive Session is present or able to hear the matter discussed as part of the Executive Session.

RULE 11. - EXPENSE REIMBURSEMENT

(a) Committee members and alternates are ~~expected~~ encouraged to participate in a variety of educational and training programs in order to make them more experienced in matters involving the utility industry and to gain insight to developing trends in the industry. Generally, Committee members and alternates should attend educational and training programs pertinent to their area of expertise or customer segment. At least once per year, the Committee shall review available educational and training opportunities to determine which activities would assist Committee members and alternates in participating in the work of the Committee. ~~Each year the Committee and the Chief Executive Officer shall establish agreed upon expectations as to the participation of Committee members and alternates in such activities during the year.~~

(b) Expenses incurred by Committee members and alternates for educational and training programs relating to their duties as Committee members and alternates can be reimbursed. Such reimbursements shall be in accordance with guidelines established in the current Utilities policies and procedures and these Bylaws.

(c) The appropriate Staff of Colorado Springs Utilities will coordinate necessary travel arrangements and will approve reimbursement requests.

**RULE 12. - ADOPTION AND
MODIFICATION OF BYLAWS**

(a) Adoption or modification of Committee Bylaws requires approval of the Utilities Board.

(b) Committee members or the Chief Executive Officer can suggest modifications to Bylaws by placing the matter as an agenda item at a regular Committee meeting.

Board Memo Agenda Item

Staff Report

Date: Aug. 17, 2022
To: Utilities Board
From: Aram Benyamin, Chief Executive Officer
Subject: Proposed Changes to Utilities Board Bylaws

NARRATIVE:

Desired Action: Approval

Executive Summary: A thorough review was completed recently of the Utilities Board bylaws. Based on this review, it was determined changes should be made to the bylaws to remove obsolete provisions related to the mailing and delivering of meeting notices and agendas. This information is now delivered electronically and shared on csu.org for public consumption.

Other notable changes include allowing the Manager of Strategic Planning and Governance (SPG) the ability to work with Utilities Board members directly on adding agenda items to meeting agenda. Currently, members are required to go *only* through the CEO's Office, but by adding the SPG manager and Utilities Board Administrator to the bylaws, Board members will have more flexibility in who they can contact.

If approved by the Utilities Board at the Aug. 17 meeting, the bylaws will be updated and uploaded on csu.org.

Benefits: Updating the bylaws removes outdated rules and guidelines related to how information is shared with Utilities Board members.

Board Policy: Utilities Board bylaws are impacted.

Cost/Budget: N/A

Affected Parties: Utilities Board members and Colorado Springs Utilities staff that supports the Board.

Alternatives: If the Utilities Board rejects the proposed bylaws changes, then the bylaws will remain as they currently are.

Submitter: Natalie Watts

Email address: nwatts@csu.org

Division/ Customer and Enterprise Services/

Phone number: 719-668-3827

Department: Public Affairs Department

Date submitted: Aug. 1, 2022

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO. 9



Colorado Springs Utilities
It's how we're all connected

Suggested Revisions to Utilities Board Bylaws

Natalie Watts, Manager – Strategic Planning and Governance

Aug. 17, 2022

Our bylaws state that any changes to them must be approved by the Utilities Board.



Remove
obsolete
provisions
related to
mailing and
delivering of
meeting notices
and agendas.



Utilities Board Bylaws Suggested Changes

Current

Rule 4. – MEETINGS

(d) The notice shall be served personally or by email to each Utilities Board member at the email address shown on the Secretary's records and by leaving a copy at the municipal office of each Utilities Board member.

Proposed

Rule 4. – MEETINGS

(d) The notice shall be served personally or by email to each Utilities Board member at the email address shown on the Secretary's records. ~~and by leaving a copy at the municipal office of each Utilities Board member.~~

Utilities Board Bylaws Suggested Changes

Current

Rule 4. – MEETINGS (pg. 5)

(f) Public notices of all regular and special meetings of the Utilities Board shall at all times meet governing legal requirements. In addition, the Chief Executive Officer will mail copies of the agenda without attachments to persons listed on the mailing list of interested persons maintained in the Chief Executive Officer's Office. Copies of the agenda with attachments will also be provided to the City Clerks Office and to the media.

Proposed

Rule 4. – MEETINGS (pg. 5)

*(f) Public notices of all regular and special meetings of the Utilities Board shall at all times meet governing legal requirements. **Copies of the complete agenda packet including all attachments will be posted on csu.org no later than one week before the meeting is to commence. In addition, the Chief Executive Officer will mail copies of the agenda without attachments to persons listed on the mailing list of interested persons maintained in the Chief Executive Officer's Office. Copies of the agenda with attachments will also be provided to the City Clerks Office and to the media.***

Utilities Board Bylaws Suggested Changes

Current

Rule 4. – MEETINGS (pg. 5)

(j) Copies of the agendas with attachments for regular meetings will be distributed to Committee members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

Proposed

Rule 4. – MEETINGS (pg. 5)

(j) ~~Copies of the a~~ Agendas with attachments for regular meetings will be distributed to Committee members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

Utilities Board Bylaws Suggested Changes

Current

Rule 4. – MEETINGS (pgs. 5-6)

(k) Utilities Board members may request agenda items by contacting the Chief Executive Officer's Office. The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Monday of the week preceding the regular meeting.

Proposed

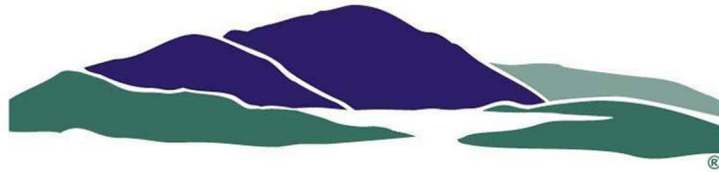
Rule 4. – MEETINGS (pgs. 5-6)

*(k) Utilities Board members may request agenda items by contacting the Chief Executive Officer's Office **or the Manager of Strategic Planning and Governance (SPG) or the Utilities Board Administrator**. The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Monday of the week preceding the regular meeting.*



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UTILITIES BOARD

BYLAWS

Originally Adopted: May 21, 1997
Revised and Approved: **Aug. 17, 2022**

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**COLORADO SPRINGS UTILITIES
UTILITIES BOARD
BYLAWS**

RULE 1. - BOARD OF DIRECTORS

(a) The City Council serves as the Board of Directors of Colorado Springs Utilities pursuant to Section 6-40(a) of the City Charter.

(b) The authority of the Utilities Board is set forth in Article 1 of Chapter 12 of the Code of the City of Colorado Springs.

(c) The Board's job description and details of the Policy Governance process utilized by the Board in carrying out its responsibilities are contained in the Utilities Board Policies.

RULE 2. - BOARD OFFICERS AND DUTIES

(a) The officers of the Utilities Board are the Chair, Vice Chair and Secretary. The Chair and Vice Chair of the Utilities Board shall be elected by and from the members of the Utilities Board. The Chair of the Utilities Board shall have a voice and vote in the Utilities Board's proceedings. The Chair of the Utilities Board shall be recognized as leader of the Utilities Board. The Utilities Board will select the Utilities Board member to serve as Chair of the Utilities Board and the Utilities Board member to serve as Vice Chair of the Utilities Board by majority vote.

(b) Terms of office for the Utilities Board Chair and the Utilities Board Vice-Chair shall be two years. At its first regular meeting on or after the third Tuesday in April of each odd- numbered year, and biennially thereafter, the Utilities Board

shall elect one of its members as Chair of the Utilities Board and one of its members as Vice Chair of the Utilities Board.

(c) The Chair of the Utilities Board, or in the Chair's absence, the Vice Chair of the Utilities Board, shall chair all regular or special meetings of the Utilities Board. In the absence of both the Chair of the Utilities Board and Vice Chair of the Utilities Board, the Utilities Board member with the most seniority present at the meeting shall chair the meeting and perform the duties of the Chair at the meeting. If two or more members have equal seniority, the Utilities Board shall select one of the most senior Utilities Board members to chair the meeting and perform the duties of the Chair at the meeting.

(d) The Chair of the Utilities Board may be removed from the office of Chair of the Utilities Board, but not as a Utilities Board member, by a vote of at least five (5) members of the Utilities Board.

(e) The Chief Executive Officer, or the Chief Executive Officer's designee, shall serve as Secretary to the Utilities Board.

RULE 3. - BOARD COMMITTEES

(a) Colorado Springs Utilities Board has established four standing Committees of the Board (Finance Committee, Strategic Planning Committee, Personnel Committee, and the Program Management Review Committee). The Board has established the Economic Development Subcommittee under the Strategic Planning and Finance Committees. The Board may establish other

Committees and Sub-Committees on an ad hoc basis and only by a vote of the Utilities Board. The Board will establish the purpose and authority of each Committee and Subcommittee. Committees and Sub-Committees are authorized to provide information and recommendations to the Utilities Board but do not have approval authority over operations or activities.

(b) Committee and Subcommittee members are appointed from among members of the Utilities Board by the Utilities Board Chair and serve two-year terms concurrent with the municipal election cycle. Board Sub-Committees may include citizens and customers appointed by the Utilities Board. Committee Chairs are appointed from among members of the Board Committees by the Utilities Board Chair and serve a two-year term concurrent with the municipal election cycle. The Subcommittee Chair is selected by the Board Members on the Subcommittee and serves a two-year term concurrent with the municipal election cycle. Committees will have a minimum of three Board members. Sub-Committees will have a minimum of two Board members.

(c) In the absence of the Chair during any Committee or Subcommittee meeting, the Committee or Subcommittee may designate a Chair. Regular attendance of members at Committee and Subcommittee meetings is expected in order for the Committee or Subcommittee to function effectively. Committee and Subcommittee Board members may be removed by the Utilities Board Chair. Subcommittee citizen and customer members may be removed by the Utilities Board.

(d) Committees and Sub-Committees will meet as often as may be deemed necessary or appropriate.

(e) Public notice of all meetings of the Committee or Subcommittee shall meet governing legal requirements. The notice shall be served at least 24 hours prior to the time of such meeting. Copies of the agendas with attachments for meetings will be distributed to Committee or Subcommittee members 24 hours prior to the time of such meeting.

(f) The Chief Executive Officer will provide Utilities staff support for Committees and Sub-Committees. The Chief Executive officer or designee will be responsible for preparing draft agendas for review and approval by the Committee or Subcommittee Chair and for keeping minutes of all Committee or Subcommittee meetings. Copies of the minutes shall also be provided to members of the Utilities Board.

(g) At the discretion of the Committee or Subcommittee Chair or the majority of the Committee or Subcommittee members present, public comment will be taken at meetings. Individual comments are limited to three minutes each unless time is extended by the Committee or Subcommittee Chair or majority of the Committee or Subcommittee members present.

(h) A Committee or Subcommittee member's attendance at a Committee or Subcommittee meeting may be achieved electronically and/or telephonically with the approval of the Committee or Subcommittee Chair.

RULE 4. - MEETINGS

(a) The regular meetings of the Utilities Board shall be held at 1:00 pm on the Wednesday following the third Tuesday of

each month, unless another time for a specified regular meeting has been approved by the Chair or the Utilities Board and notice of the changed time for the specified regular meeting has been given in accordance with subsection (f) of this rule to the extent practical under the circumstances. In the event the time of a specified regular meeting is changed, the Chair or the Utilities Board, as appropriate, shall also direct any change in the times for agenda preparation and distribution as necessary under the circumstances.

(b) The regular meetings of the Utilities Board shall be held in the Blue River Board Room, 5th Floor, Plaza of the Rockies South Tower, 121 S. Tejon Street, Colorado Springs, Colorado, unless another location for a specified regular meeting has been approved by the Chair or the Utilities Board and the substitute location for a specific regular meeting is specifically described in the agenda for that specific meeting.

(c) Five members of the Utilities Board shall constitute a quorum, but in the absence of a quorum, members present may adjourn the meeting to a later date or may attend to any matters not requiring a quorum. For the purpose of establishing a quorum, the Mayor shall not be counted as one of the five necessary members.

(d) Special meetings of the Utilities Board may be held at such time and place as stated in the notice of the meeting. The Chair may, or, upon the request of three Utilities Board members, shall call special meetings of the Utilities Board by notice to each of the Utilities Board members in writing, which notice shall state the purpose for which the meeting is called. The notice shall be served at least 24 hours prior to the time of such meeting. The notice shall be served personally or by email to each

Utilities Board member at the email address shown on the Secretary's records, ~~and by leaving a copy at the municipal office of each Utilities Board member.~~

(e) The Utilities Board by majority vote may recess a regular or special meeting to a time specified in the motion therefore.

(f) Public notice of all regular and special meetings of the Utilities Board shall at all times meet governing legal requirements. ~~Copies of the complete agenda packet including all attachments will be posted on csu.org no later than one week before the meeting is to commence. In addition, the Chief Executive Officer will mail copies of the agenda without attachments to persons listed on the mailing list of interested persons maintained in the Chief Executive Officer's Office. Copies of the agenda with attachments will also be provided to the City Clerk's Office and to the media.~~

(g) The Board shall determine what monthly agenda topics are required as part of its annual planning calendar.

(h) The general format of monthly agendas shall be determined by the Board.

(i) The Chief Executive Officer shall be responsible for preparation of a draft agenda for each regular Utilities Board meeting. The draft agenda shall be reviewed by the Chair who shall have final authority as to items to be included on the monthly agenda in addition to the items required to be considered by the Boards' annual planning calendar.

(j) ~~Copies of the a~~Agendas with attachments for regular meetings will be distributed to Utilities Board members by 5:00 p.m. on Wednesday of the week preceding each regular meeting.

(k) Utilities Board members may request agenda items by contacting the Chief

Executive Officer's Office or the Manager of Strategic Planning and Governance or the Utilities Board Administrator. The cut-off time for requesting additional agenda items for regular meetings shall be 5:00 p.m. on Monday of the week preceding the regular meeting. For good cause, the Chair may authorize additional action or executive session items to be placed on the agenda for an upcoming meeting after this deadline provided that public notice of such additional action or executive session items is given in accordance with legal requirements and provided notice thereof is given to Board members in the same manner as required for a notice of special meeting under Rule (4)(d) above.

(l) As part of General Board Discussion, any Board member may raise any matter of concern relating to Utilities for discussion. However, no Board action can be taken on any such matter until it is placed on an agenda for a regular meeting or is a subject of a special meeting. Expense reimbursement matters may be discussed as part of General Board Discussion.

(m) Any Board members desiring to speak or to make a motion shall address the Chair as "Mr. (or Madam) Chair", and the Chair shall thereupon pronounce the name of the Board member entitled to the floor. Board members addressing the Board shall confine themselves to the issues being discussed.

(n) A Board member's presence at a Utilities Board meeting may be achieved electronically and/or telephonically with the approval of the Board Chair. Except in the event of extenuating circumstances, requests to attend a Utilities Board meeting electronically and/or telephonically must be submitted to the Board Chair no less than 7 days prior to a regular meeting of the Utilities Board, or no less than 12 hours

prior to any special meeting of the Utilities Board.

RULE 5. - CUSTOMER AND PUBLIC COMMENT

(a) At each regular Utilities Board meeting, customers and members of the public shall be allowed to comment on any matters not on the current agenda and that are not repetitious, during the Customer Comment period. Individuals will be allowed a maximum of three (3) minutes, and the Customer Comment period will not exceed thirty minutes at each regular meeting. Time limits will be strictly enforced by Chair of the Utilities Board, unless the Chair agrees to extend the maximum time.

(b) At the discretion of the Chair, or the majority of Utilities Board members present, customers and members of the public will be allowed to comment or ask questions concerning other agenda items at regular meetings or concerning matters discussed at special meetings. Such comments or questions will be limited to three (3) minutes each, and will not exceed thirty minutes on any agenda item.

(c) Customers and members of the public may address the Utilities Board in person, electronically, or telephonically.

RULE 6. - BOARD ACTIONS

(a) Provided a quorum is present, the Utilities Board may take action only by resolution or motion.

(b) Resolutions or motions shall be approved by the majority vote of the members of the Utilities Board present, except that the affirmative votes of five members of the Utilities Board are required

for adoption or revision of the Bylaws, adoption or revision of written Board Policies, and approval of any motion or resolution providing for the expenditure of money.

(c) A voice vote will be used for all Board items requiring a vote, with full details recorded in the minutes of the Utilities Board meeting. An additional roll call vote may be used as necessary for clarity or in the event a Board member is participating electronically and/or telephonically.

(d) Utilities Board resolutions shall be signed by the Chair and the Chief Executive Officer.

RULE 7. - MOTIONS

(a) When a motion is made and seconded, it may be restated by the Chair or by the Chief Executive Officer before a debate and again before the final vote. Any member may demand that a motion be reduced to writing. A motion may not be withdrawn by the mover without the consent of the second.

(b) When an item is before the Utilities Board, no motion shall be entertained except as listed according to priority (highest to lowest):

(1) Motion to Adjourn - Requires a second, is not debatable, is not amendable, and requires a majority vote of those present.

(2) Motion to Recess - Requires a second, is not debatable, is amendable only as to time and duration of recess, and requires a majority vote of those present.

(3) Motion to Postpone Temporarily - Requires a second, is not debatable, is not amendable, and requires a majority vote of those present.

(4) Motion to Close Debate - Requires a second, is not debatable, is not amendable, and requires a 2/3 vote of those present.

(5) Motion to Limit or Extend Debate - Requires a second, is debatable as to type and time of limitations, is amendable as to time and type of limitations, and requires a 2/3 vote of those present.

(6) Motion to Postpone to a Definite Time - Requires a second, is debatable as to reasons for postponement and date of reconsideration, is amendable as to date of reconsideration, and requires a majority vote of those present.

(7) Motion to Refer - Requires a second, is debatable as to the referral, is amendable as to the referral, and requires a majority vote of those present.

(8) Motion to Amend - Requires a second, is debatable unless applied to an undebatable motion, is amendable, and requires a majority vote of those present.

(9) Motion to Postpone Indefinitely - Requires a second, is debatable, is not amendable, and requires a majority vote of those present.

(10) Motion to Reconsider - Requires a second, is debatable, is not amendable, and requires a majority vote of those present. This motion can be

made at the same meeting or at a meeting other than the meeting at which the action was taken. If made at a meeting other than the meeting at which the action was taken, all members of the Utilities Board must be given at least seven days written notice by the Chief Executive Officer that a named Board member is going to move to reconsider Item No. _ of the formal Utilities Board Agenda of (Date). If the motion to reconsider is voted upon and approved, no action shall be taken on the item reconsidered until the next regular Utilities Board meeting.

(11) Main Motions - Requires a second, is debatable, is amendable, requires a majority vote of those present.

(c) In making any of the above motions, the motion maker may not interrupt another speaker.

RULE 8. - SPECIAL MOTIONS

(a) These motions must be disposed of immediately:

(1) Motion Objecting to Consideration - This motion must be made immediately after an item is called to the attention of the Utilities Board by the Chief Executive Officer. This motion enables the Utilities Board to avoid a main motion that would be undesirable to consider at the time. It does not require a second, is not debatable, is not amendable, and requires a 2/3 vote of those present.

(2) Motion to Withdraw - A mover of any motion may withdraw the motion as a matter of right so long as the consent of the second is first obtained.

(3) Motion to Suspend Rules - This motion applies to all procedural rules herein. The purpose of this rule is to enable the Utilities Board to set aside one or more of its procedural rules that would otherwise prevent consideration of a certain action. A motion to suspend rules suspends only those rules which specifically interfere with the consideration of the particular action involved. The rules are suspended only temporarily and are automatically reactivated when the proposed action has been considered. Voting or notice requirements set forth in these Bylaws and rules set forth in the City Charter, City Code, Utilities tariffs or written Board Policies may not be altered by suspending the rules. A motion to suspend rules is not a debatable motion and may not be amended. It requires a majority vote of the Utilities Board members present.

RULE 9. - MINUTES AND RECORDINGS

(a) The Chief Executive Officer will be responsible for keeping minutes of all Utilities Board meetings. Minutes of the previous regular meeting and any special meetings occurring in the previous month shall be included in the Utilities Board member's agenda packets for distribution prior to each regular meeting.

(b) All regular and special Utilities Board meetings will be recorded, and the audio recordings will be archived.

(c) Minutes of the Utilities Board shall be archived and then posted on Colorado Springs Utilities' website, for a minimum of three (3) years, in order to be available for public access.

RULE 10. - EXECUTIVE SESSION PROCEDURES

(a) The Chief Executive Officer and the City Attorney’s Office Utilities Division Chief shall prepare the agenda for the Executive Session of the Utilities Board meeting. The agenda shall include those items that may be discussed in closed session.

(b) In compliance with the Colorado Open Meetings Act, prior to convening an Executive Session, the Chair shall announce the general topics of the Executive Session as set forth below. The Chair shall poll Board members, and, upon consent of two thirds of the Board members present, not including the Mayor if he or she is present, may hold a closed Executive Session. The Mayor may attend an Executive Session, but must comply with Rule 13 when in attendance at an Executive Session. If consent to the closed Executive Session is not given, the item may be discussed in open session or withdrawn from consideration.

(c) No adoption of any proposed policy, position, resolution, rule, regulation or formal action shall occur in Executive Session which is not open to the public. However, Utilities Board members may receive information and provide direction, as provided by law in the following areas:

(1) Purchase, acquisition, lease, transfer, or sale of any real, personal or other property interests.

(2) Conferences with the City Attorney or other attorneys for Utilities, for the purposes of receiving legal advice on specific legal questions, issues or matters.

(3) Matters required to be confidential by federal or state law or rules and regulations.

(4) Specialized details of security arrangements or investigations.

(5) Determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

(6) Personnel matters except if the employee who is subject of the session has requested an open hearing, or if the personnel matter involves more than one employee, all the employees have requested an open meeting.

(7) Consideration of any documents protected by mandatory nondisclosure provisions of the Colorado Open Records Act or other information which is considered confidential or proprietary and, thus, would not be subject to disclosure requirements of the Colorado Open Records Act.

(d) Executive Sessions will be electronically recorded, and the audio recordings will be archived. All such recordings shall be privileged and confidential records.

(e) Any items discussed in Executive Session requiring formal Utilities Board or Council consideration ordinarily will be put on the next regular Utilities Board or City Council meeting agenda as a Utilities Business item.

(f) Nothing herein shall restrict the Board from deciding to hold an Executive Session regarding any other agenda item

provided such decision meets the criteria set forth in sub paragraph 10 (c) above.

(g) Prior to entering into any Executive Session, Board members participating electronically or telephonically shall ensure that no other individual not authorized to participate in the Executive Session is present or able to hear the matter discussed as part of the Executive Session.

RULE 11. - EXPENSE REIMBURSEMENT

(a) Utilities Board may authorize reimbursement of expenses incurred by its members for travel and educational purposes relating to their duties as Utilities Board members. Such reimbursements shall be in accordance with Colorado Springs Utilities then current travel policies. Any conflicts or issues shall be resolved by the Utilities Board.

(b) No vote of Utilities Board or of City Council shall be required to authorize such reimbursements.

(c) The appropriate Staff of Colorado Springs Utilities will coordinate necessary travel arrangements and will process reimbursement requests.

RULE 12. - MODIFICATION OF BYLAWS

(a) Utilities Board members can suggest modifications to Bylaws by placing the matter as an agenda item at a regular Utilities Board meeting.

(b) The Chief Executive Officer may suggest Bylaw revisions, but the decision to bring any such matters to a vote will be reserved to the Utilities Board.

RULE 13. - ROLE OF THE MAYOR ON THE UTILITIES BOARD

The Mayor shall have the right, but not the obligation, to attend Utilities Board meetings. Under City Charter Art. 6- 40(a), which states that the Mayor is “an ex officio and non-voting member” of the Utilities Board, he or she does not have the right to vote as part of the Utilities Board; additionally, the Mayor shall not make or second any motions as a member of the Utilities Board. The Mayor may participate freely, within the procedural rules of the Utilities Board, in discussions, asking questions, and providing comments. Additionally, the Mayor may attend Executive Sessions of the Utilities Board in accordance with Rule 10.

RULE 14. – APPLICATION OF CITY COUNCIL RULES

In the event these Bylaws do not address a matter or issue, and such matter or issue is addressed by the Rules and Procedures of City Council, the Utilities Board shall apply the Rules and Procedures of City Council when considering such matter or issue.

Board Memo Agenda Item

Staff Report

Date: August 17, 2022
To: Utilities Board
From: Aram Benyamin, Chief Executive Officer
Subject: 2023 Budget and Preliminary Rate Review

NARRATIVE:

Desired Action: Discussion

Executive Summary: The 2023 Preliminary Budget provides an overview of the proposed budget and financial metrics. Colorado Springs Utilities (Utilities) will submit the 2023 Budget and appropriation ordinances to City Council on October 25, 2022 for first reading and on November 8, 2022 for second reading.

On September 13, 2022, Utilities anticipates filing the 2023 Rate Case and requesting a Public Rate Hearing date of October 25, 2022. The Preliminary 2023 Rate Case Review summarizes preliminary proposed changes to Water and Wastewater rates. The 2023 Rate Case Review also summarizes certain changes to Electric, Natural Gas and Water Rate Schedules, Utilities Rules and Regulations, and the Open Access Transmission Tariff (OATT). After the Rate Hearing, City Council will review the Decision and Order at the Work Session on November 7, 2022, with a decision at the Regular City Council meeting on November 8, 2022.

The 2023 Preliminary Budget was developed with the following objectives:

- Balancing Rates, Reliability and Relationships
- Plan, build and maintain assets and infrastructure
- Optimize operations and infrastructure
- Build financial strength
- Keep bills competitive

Benefits: The 2023 Preliminary Budget supports the Annual Operating and Financial Plan

Board Policy: Pricing of Services (I-1), Financial Planning and Budgeting (I-3), Rate Design (G-5)

Cost/Budget: Overview of 2023 Preliminary Budget and Preliminary 2023 Rate Case

Affected Parties: Utilities' Electric, Natural Gas, Water, Wastewater, and OATT Customers

Alternatives: Utilities Board to provide alternative direction.

Submitter: Scott Shirola	Email address: sshirola@csu.org
Division/ Planning and Finance	Phone number: (719) 668-8661
Department: Division/Pricing and Rates	Date submitted: 08/10/2022

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO. 10



Colorado Springs Utilities
It's how we're all connected

2023 Preliminary Budget and Rate Case

John Hunter, Financial Planning and Risk Manager

Scott Shirola, Pricing and Rates Manager

August 17, 2022

2023 Preliminary Budget

Proposed 2023 Budget Overview



Financial Metrics

- Adjusted Debt Service Coverage – 1.83
- Debt Ratio – 51.1%
- Days Cash on Hand – 152



Rate Adjustments

- 5% Overall Water System Rate Adjustment
- 4% Overall Wastewater System Rate Adjustment



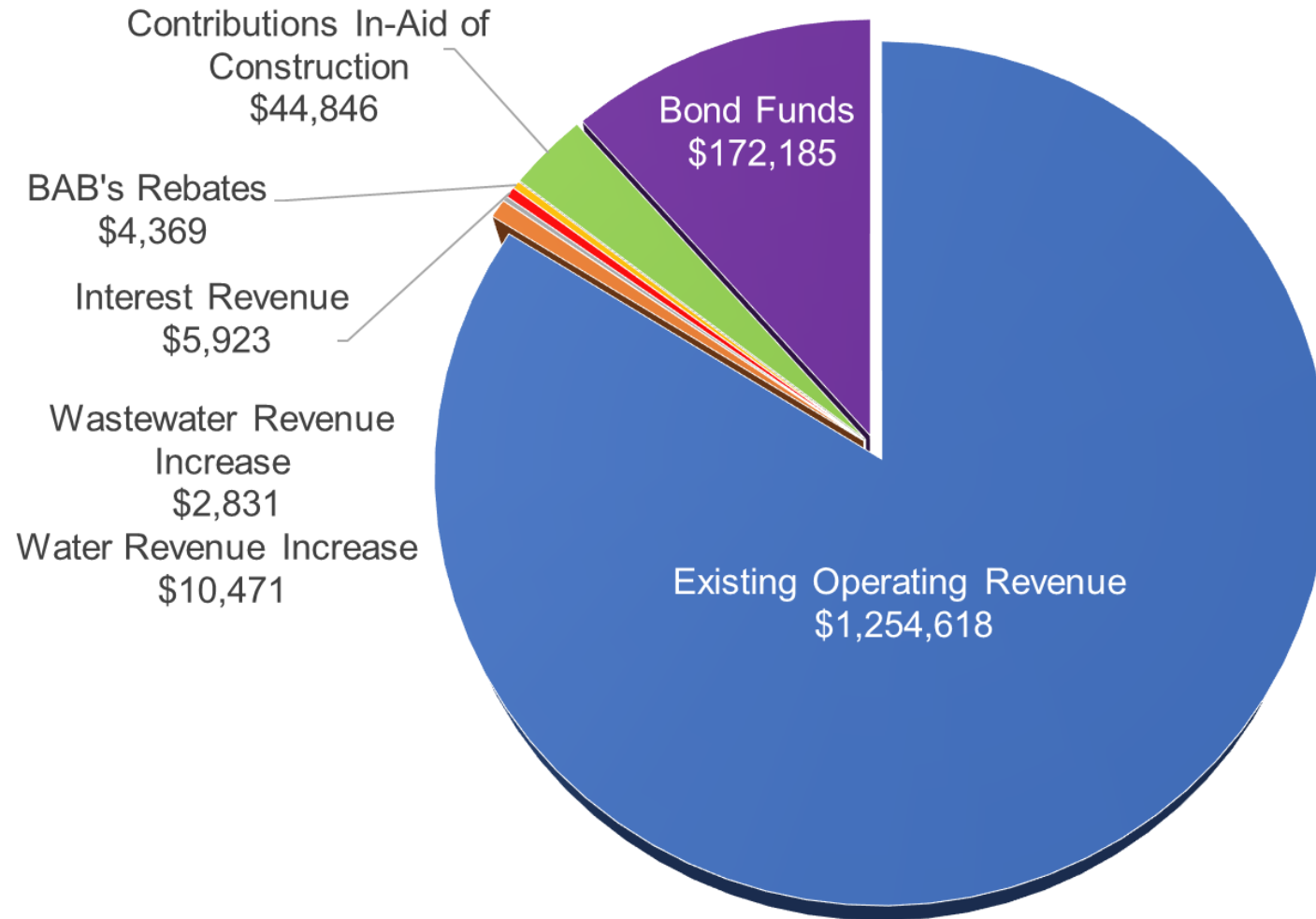
Proposed Expenditures

- Proposed Total 26.3% higher than 2022 Approved Budget
- Proposed Total 10.3% higher than 2022 Approved Budget without fuel contingency



Responsible Balance

Funding 2023 Appropriation (in thousands)



Proposed 2023 Budget

Budget Summary (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Capital Projects	\$ 412,795	\$ 390,378	\$ 22,417	5.7%
Fuel Operations & Maintenance	323,716	251,184	72,532	28.9%
Fuel Commodity - Increased Cost Scenario	197,722	-	197,722	100.0%
Non-Fuel Operations & Maintenance	379,717	352,215	27,502	7.8%
Debt Service	210,863	206,212	4,651	2.3%
Transfers - Surplus Funds to City	36,513	35,855	658	1.8%
Other	329	326	3	0.9%
TOTAL	\$1,561,654	\$1,236,170	\$ 325,484	26.3%

Capital Projects (26.4% of Proposed Appropriation)

Debt Funding - 41.7%

Summary (in thousands)

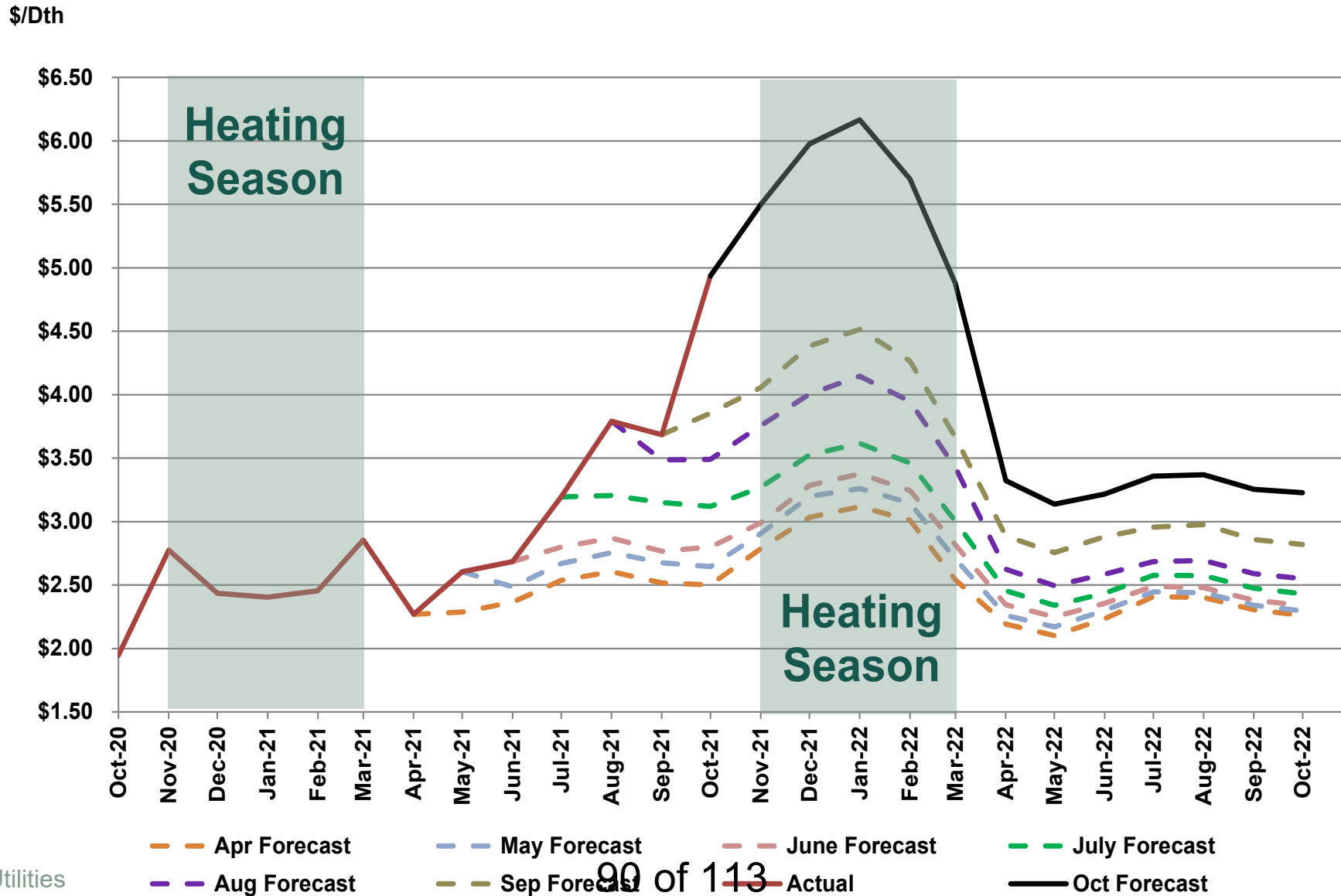
	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Capital Projects	\$ 412,795	\$ 390,378	\$ 22,417	5.7%

- Largest capital portfolio expenditures:
 - Operational Fiber Network \$78.8 million
 - Sustainable Energy Plan (SEP) \$31.1 million
 - Advanced Metering Infrastructure (AMI) \$29.1 million
 - Central Substation \$15.2 million
 - New Generation \$12.8 million

Fuel Commodity - Increased Cost Scenario

- Increased cost scenario represents 1 standard deviation (68%) in fuel prices for 2023
- Given the volatility in the current fuel market added to the low forecast for July this helps cover the need for a supplemental appropriation
- These expense are updated monthly at finance committee with the ECA/GCA monitoring report
- Costs are only incurred if actual prices of fuel commodities increase
- ECA and GCA adjustments needed if actual experienced commodity prices are higher

Forecasted Gas Prices Last Heating Season



Operations & Maintenance (O&M) – Fuel

(33.4% of Appropriation)

Summary (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Fuel Operations & Maintenance	\$ 323,716	\$ 251,184	\$ 72,532	28.9%
Fuel Commodity - Increased Cost Scenario	197,722	-	197,722	100.0%

Key Drivers:

- Increasing natural gas and coal costs
- Generation Mix (Coal/Gas/Purchase Power)

Operations & Maintenance (O&M) – Non-Fuel

(24.3% of Proposed Appropriation)

Summary (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Non-Fuel Operations & Maintenance	\$ 379,717	\$ 352,215	\$ 27,502	7.8%

Key Drivers:

- Labor & Benefits
- Plant Outages & Maintenance
- Fort Carson Intergovernmental Agreement

Debt Service (13.5% of Appropriation)

Summary (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Debt Service	\$ 210,863	\$ 206,212	\$ 4,651	2.3%

Key Drivers:

- 2021 new bond issue \$230.0 million, \$150.0 million in 2022
- Principal and Interest (P&I) increase of existing debt
- 53.1% bond funded capital program in 2021, 32.8% in 2022

Total Labor and Benefits

(including O&M and Capital)

Summary of Labor Costs by Category (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Regular Base Pay	\$ 202,160	\$ 183,064	\$ 19,096	10.4%
Overtime	5,856	5,383	474	8.8%
Standby/Shift	2,210	1,887	323	17.1%
Other Compensation	591	591	0	0.0%
Total Labor	\$ 210,817	\$ 190,925	\$ 19,892	10.4%
Employee Benefits	62,417	57,281	5,136	9.0%
Post-Retirement Expenses	1,043	1,096	(53)	-4.8%
Total Benefits	\$ 63,460	\$ 58,377	\$ 5,083	8.7%
TOTAL LABOR & BENEFITS	\$ 274,277	\$ 249,302	\$ 24,975	10.0%

Regular Base Pay

(including O&M and Capital)

Summary (in thousands)

	2023 Proposed Budget	2022 Approved Budget	Increase / (Decrease)	% Change
Regular Base Pay	\$ 202,160	\$ 183,064	\$ 19,096	10.4%

Key Drivers:

- Salary Structure Adjustments \$11.9 million
- Pay Adjustments \$3.4 million
- New Positions \$2.5 million
- Fort Carson Intergovernmental Agreement \$1.3 million

2023 Preliminary Rate Case Review

2023 Rate Case Overview

- 2023 Rate Case filing based on 2023 Sources & Uses Budget Ordinances
- Rate Case filing includes proposed changes to:
 - Water, Wastewater, and certain optional Electric Rate Tables
 - Electric, Natural Gas, and Water tariff provisions
 - Utilities Rules and Regulations (URR)
 - Open Access Transmission Tariff (OATT)
- The 2023 Rate Case filing will contain the comprehensive proposed changes
 - Reports, Resolutions, Tariffs, Cost of Service Studies (COS), and other supporting materials

Water Service

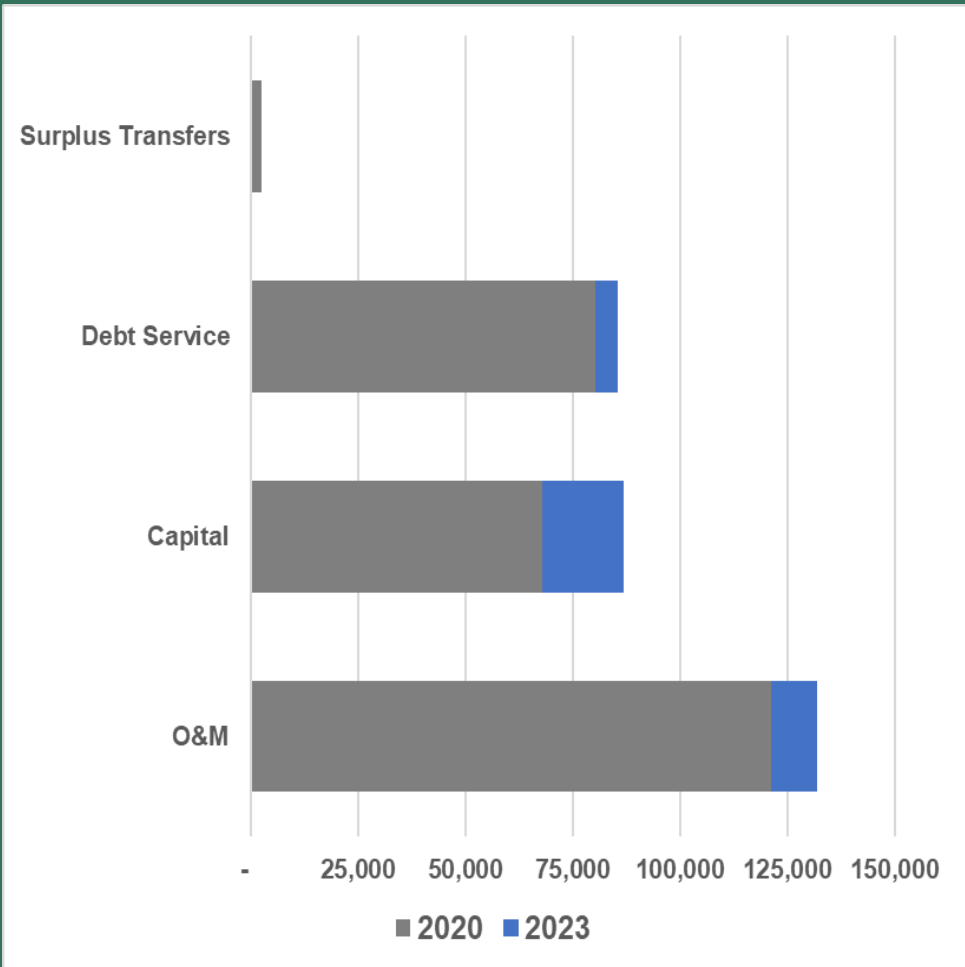
- Water rate drivers

- Inflationary increases in labor, benefits, and system maintenance
- Funding infrastructure investments
 - Advanced Metering Infrastructure (AMI) and Airport Highline projects
 - Water debt additions

- Total Water proposed revenue from rates is \$219.8 million

- \$10.4 million higher than revenue under current rates

- Overall system increase 5.0%



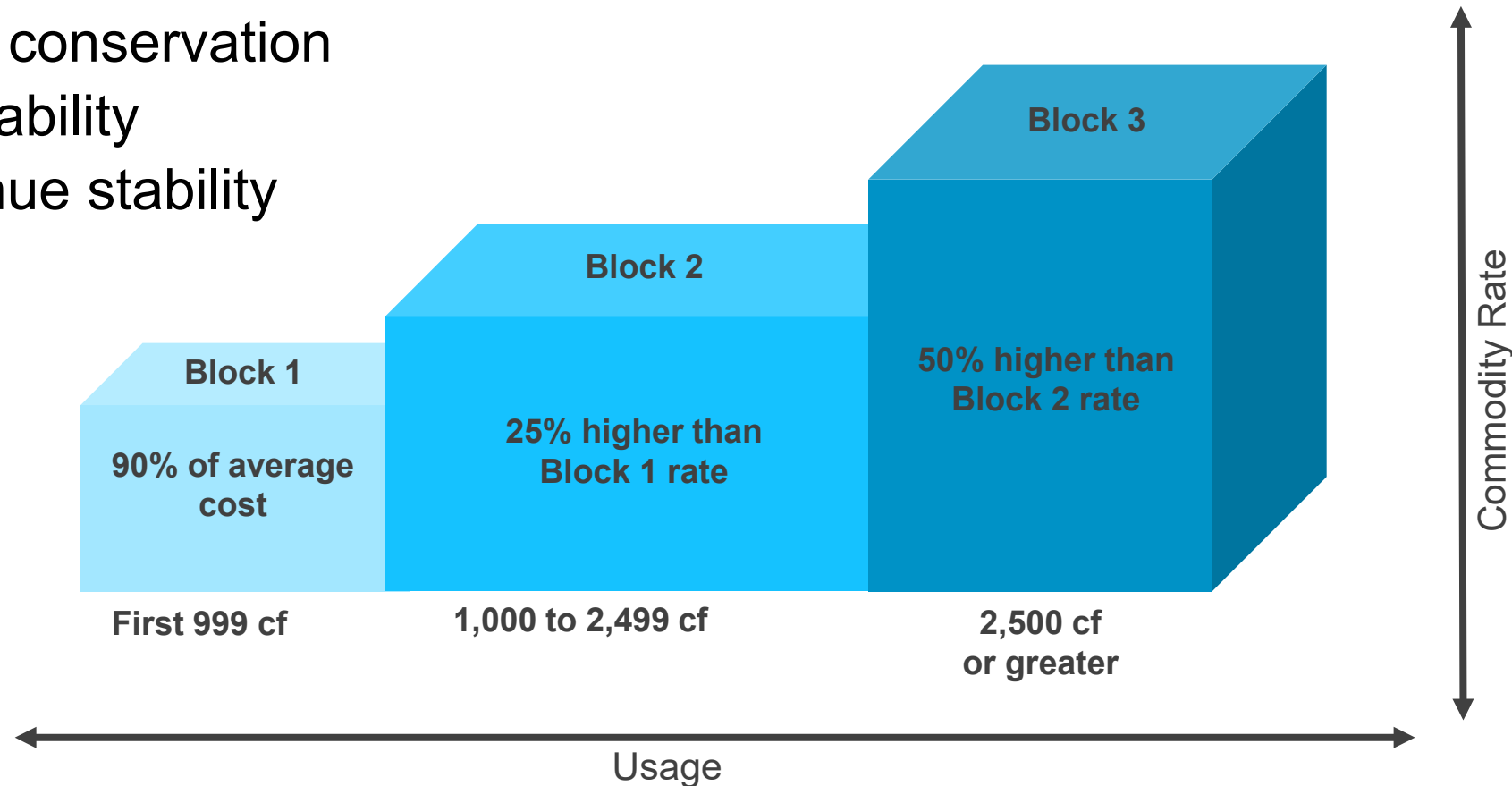
COS and Rate Design Summary - Water

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
(a)	(b)	(c)	(d)	(e) (g) - (d)	(f) (e) / (d)	(g) (d) + (e)	(h) (g) / (c)
1	Residential Service	\$ 115,949,474	\$ 110,359,771	\$ 5,621,089	5.1%	\$ 115,980,861	100.0%
2	Nonresidential Service	87,180,703	84,596,208	3,725,476	4.4%	88,321,684	101.3%
3	Large Nonseasonal Service	4,018,507	3,795,345	223,162	5.9%	4,018,507	100.0%
4	Contract Service - Military	12,735,873	10,662,537	804,958	7.6%	11,467,496	90.0%
5	Total	\$ 219,884,556	\$ 209,413,862	\$ 10,374,685	5.0%	\$ 219,788,547	100.0%

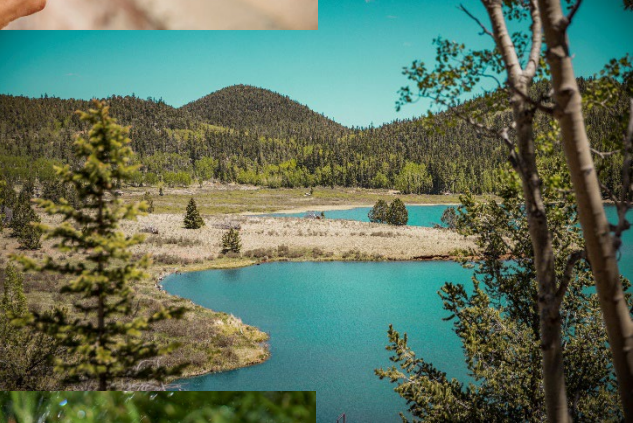
Note : Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.

Residential Rate Design

- Residential rates designed consistent with Rate Design Guidelines in support of:
 - Water conservation
 - Affordability
 - Revenue stability



Sample Bill - Water



Sample Quantity	Block Usage	Current Effective	Proposed
500 cf	Block 1: 500 cf	\$ 45.69	\$ 48.95
1,100 cf	Block 1: 999 cf Block 2: 101 cf	\$ 74.93	\$ 80.14
1,600 cf	Block 1: 999 cf Block 2: 601 cf	\$ 107.08	\$ 111.29

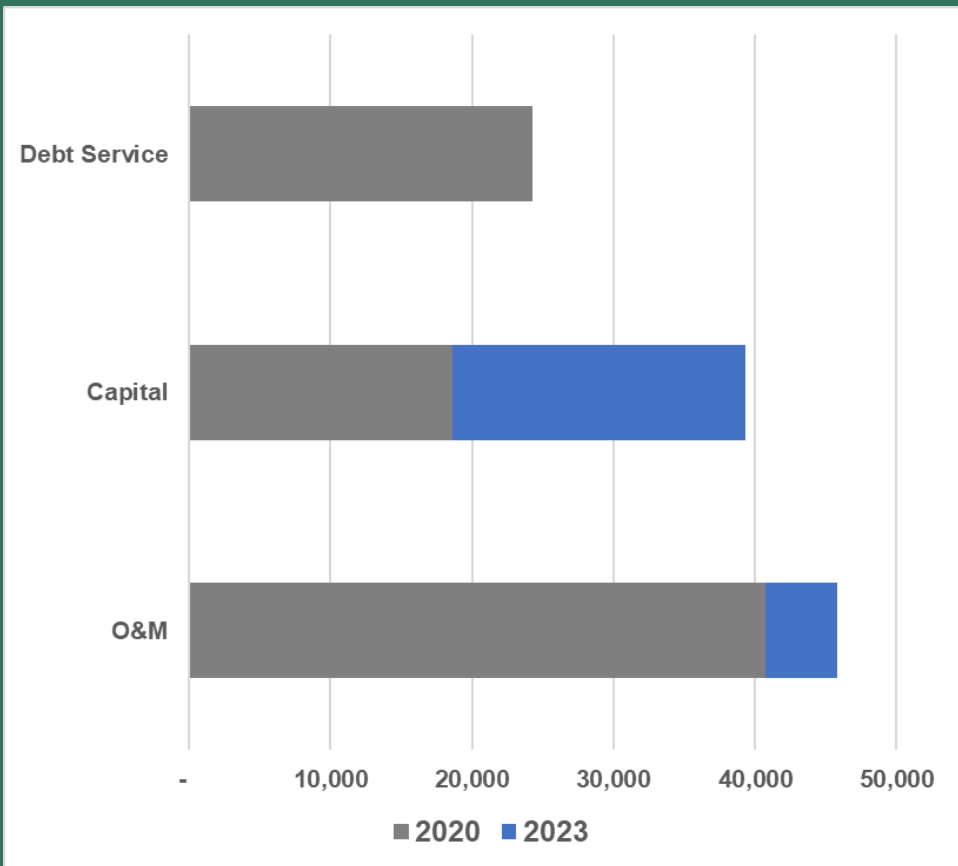
Additional Water Rate Changes

Rate Schedule	% Change
Contract Service - Regional	
Full Service	9.5%
Convey, Treat, and Deliver	12.5%
Nonpotable	
Miscellaneous Service	7.5%
Contract Service	7.5%
Augmentation	4.8%
Temporary Service – Hydrant Use	4.4%



Wastewater Service

- Wastewater rate drivers
 - Inflationary increases in labor, benefits, and system maintenance
 - Funding infrastructure investments
 - Clear Springs Ranch Biogas and N. Monument Creek Interceptor projects
- Total Wastewater proposed revenue from rates is \$73.6 million
 - \$2.8 million higher than revenue under current rates
- Overall system increase 4.0%



COS and Rate Design Summary - Wastewater

Line No.	Rate Class	Net Revenue Requirement	Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
(a)	(b)	(c)	(d)	(e) (g) - (d)	(f) (e) / (d)	(g) (d) + (e)	(h) (g) / (c)
1	Residential Service	\$55,994,351	\$ 54,649,028	\$ 1,275,756	2.3%	\$55,924,784	99.9%
2	Nonresidential Service	16,934,026	15,391,826	1,529,899	9.9%	16,921,725	99.9%
3	Contract Service - Military	243,847	220,848	22,587	10.2%	243,435	99.8%
4	Liquid Waste Hauler	443,793	522,142	-	0.0%	522,142	117.7%
5	Total	\$ 73,616,017	\$ 70,783,844	\$ 2,828,242	4.0%	\$ 73,612,086	100.0%

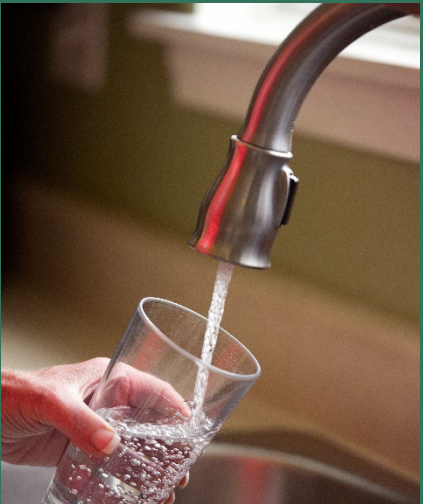
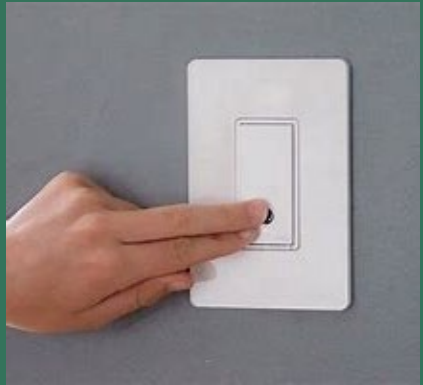
Note: Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.

Additional Wastewater Rate Change:

Rate Schedule	% Change
Contract Service - Regional	7.7%

Sample Total Service Bill

(Proposed Effective January 1, 2023)



Line No.	Rate Class	Current Effective	Proposed	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	Residential				
2	Electric	\$ 109.39	\$ 109.39	\$ -	0.0%
3	Gas	69.63	69.63	-	0.0%
4	Water	74.93	80.14	5.21	7.0%
5	Wastewater	33.38	34.22	0.84	2.5%
6	Total	\$ 287.33	\$ 293.38	\$ 6.05	2.1%
7	Commercial				
8	Electric	\$ 760.63	\$ 760.63	\$ -	0.0%
9	Gas	1,206.05	1,206.05	-	0.0%
10	Water	231.21	241.65	10.44	4.5%
11	Wastewater	116.26	126.76	10.50	9.0%
12	Total	\$ 2,314.15	\$ 2,335.09	\$ 20.94	0.9%
13	Industrial				
14	Electric	\$ 45,019.34	\$ 45,019.34	\$ -	0.0%
15	Gas	11,848.22	11,848.22	-	0.0%
16	Water	3,027.71	3,160.35	132.64	4.4%
17	Wastewater	1,455.76	1,630.76	175.00	12.0%
18	Total	\$ 61,351.03	\$ 61,658.67	\$ 307.64	0.5%

2022 Consumer Price Index: May 8.6%, June 9.1%, & July 8.5%

Electric Rate Schedules – Rate Design

- Residential Service Time-of-Day (TOD) Option
- Commercial Service – General TOD Option
- Green Power Service
- Industrial Interruptible Service
- Electric Vehicle (EV) Public Charging



Electric Rate Schedules – Rate Design

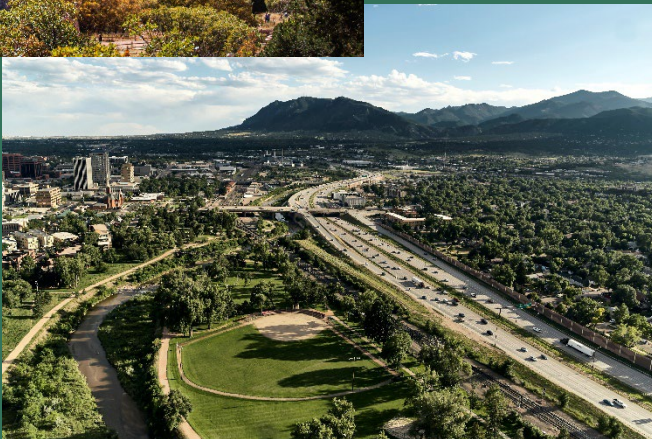
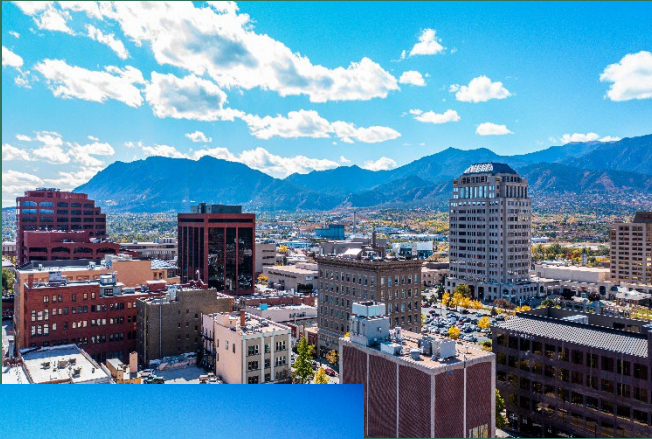
- Residential Service TOD Option
 - Modification to on-peak and off-peak period definitions
 - On-Peak Periods: 4:00pm – 8:00pm Monday through Friday
 - Modification to seasonal definitions
 - Summer Period: June through September
 - Adjustment to On-Peak and Off-Peak Access and Facilities Charges
- Commercial Service – General TOD Option
 - Adjustment to On-Peak and Off-Peak Access and Facilities Charges
- Green Power Service
 - Increase program availability from 7 million kWh per month to 12 million kWh per month
 - Modify pricing to reflect firm nature of service and transfer of Renewable Energy Credit (REC)

Electric Rate Schedules – Rate Design

- Industrial Service - Interruptible
 - Addition of new interruptible rate schedule
 - Available to customers whose maximum demand exceeds 500 kW
 - Customers are subject to Utilities' direct load control without notice
 - Interruptible credit based on Utilities' avoided capacity cost
- EV Public Charging – TOD
 - Addition of new EV public charging rate schedule
 - On-Peak and Off-Peak TOD pricing for two levels of service:
 - Level II
 - Direct Current Fast Charging (DCFC)
 - Idle fees apply starting 15 minutes after charge is complete

Other Tariff Changes

- Electric, Natural Gas, and Water Rate Schedules
- URR
- OATT



Other Tariff Changes

- Electric Rate Schedules
 - Industrial Service – Large Power and Light (ELG)
 - Remove reference to ELG Supply Credit
 - Community Solar Garden Bill Credit Pilot Program
 - Broaden the availability currently limited to residential customers to include non-profit organizations
- Natural Gas Rate Schedules
 - Industrial Service and Contract Service – Military Interruptible
 - Addition of provisions allowing waiver of Overrun Charges
 - Removal of exemption from backup fuel supply for warm weather process loads
 - Lengthen customer termination notice from 30 to 60 days
- Water Rate Schedules
 - Contract Service – Regional
 - Addition of Standby Service for customers requiring temporary service

Other Tariff Changes

- Electric, Natural Gas, Water and Wastewater Rate Schedules
 - Rate Option Contracts
 - Modifications to standardize contract expiration and renewal dates
 - Other administrative corrections
- URR
 - Account Access
 - Addition of provisions allowing Utilities to provide information to authorized agencies
 - Water and Wastewater Oversize Recovery
 - Modification of capacity determinations and elimination of Large Main Extension Fund 25% upfront requirement
 - Water Regional System Availability Fee (WRSAF)
 - Addition of Standby Service WRSAF
- OATT
 - Large Generator Interconnection Agreement and Procedures
 - Elimination of credit provisions related to network upgrades

Next Steps

- ✓ • August 12 Preliminary COS studies and 2023 Rate Case Filing Reports to OCA
- ✓ • August 17 Utilities Board:
 - 2023 Proposed Utilities Preliminary Budget and Rate Case Presentation
- September 13 City Council:
 - Request to establish a Public Hearing date and formal filing of the 2023 Rate Case with City Clerk
- October 25 City Council:
 - 2023 Utilities Budget First Reading
 - 2023 Rate Case Hearing
- November 8 City Council:
 - 2023 Utilities Budget Second Reading
 - 2023 Rate Case Decision & Order



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