

MINUTES

Colorado Springs Utilities Board Meeting Wednesday, April 17, 2024

Utilities Board members present via Microsoft Teams or Blue River Conference Room:

Chair Dave Donelson, Vice Chair Yolanda Avila, Lynette Crow-Iverson, Brian Risley, Mike O'Malley, Michelle Talarico, and David Leinweber

Utilities Board Members Excused:

Randy Helms and Nancy Henjum

Staff members present via Microsoft Teams or Blue River Conference Room:

Travas Deal, Somer Mese, Mike Francolino, Tristan Gearhart, Lisa Barbato, Marcela Espinoza, Natalie Watts, Mike Myers, Jared Miller, Andy Colosimo, Diana Harmon, Al Wells, David Padgett, Christian Nelson, Nicholas Peters, Brian Wortinger, Brendan Cavanaugh, Michael Romero, Robert Palmer, Kany Drake, Jacqueline Nunez, Ian Gavin, Shane Kelley, Lorenzo Ruiz, Moses Keale II, Jessica Rheinschmidt, Jane Zook, Tyrone Johnson, Lauren Swenson, Katie Garrett, Adam Hegstrom, Bryan English and Chris Crook

City of Colorado Springs staff members present via Microsoft Teams or Blue River Conference Room:

Renee Congdon, Ryan Trujillo, Chris Bidlack, David Beckett and Alexander Ryden

Citizens present via Microsoft Teams or Blue River Conference Room:

None

1. Call to Order

Chair Donelson called the Utilities Board meeting to order at 1:01 p.m., and Ms. Gail Pecoraro, Utilities Board Administrator, called the roll.

2. Invocation and Pledge of Allegiance

Mr. Chris Crook, Operations Supervisor I, delivered the invocation, and Chair Donelson led the Pledge of Allegiance.

3. Consent Calendar

3a. Approval of Utilities Board Meeting Minutes: March 20, 2024, Utilities Board Meeting

The Consent Calendar was unanimously approved.

4. Customer Comments

There were no customer comments.

5. Recognition

- Viewing of 100 Years of Service Videos

Mr. Andy Colosimo, General Manager of Public Affairs, stated that as part of the organization's 100th anniversary, the Public Affairs Department is kicking off a series of videos celebrating the organization's history. A new logo has been created for electronic use as well. Two videos were viewed.

- American Power Association's Diamond Designation

Mr. Nicholas Peters, General Manager of Operations Technical Services, presented the Diamond member plaque and designation that the organization achieved from the American Public Power Association. The RP3 designation evaluates utilities on four criteria: reliability, safety, workforce development, and system improvement. The Diamond Rating is the highest rating that an organization can achieve. Vice Chair Avila and Chair Donelson thanked the employees for their work toward this accomplishment.

- Wastewater Worker Appreciation Week

Ms. Lisa Barbato, Officer of System Planning and Projects, introduced Mr. Brian Wortinger, Water System Operations Manager, and Mr. Brendan Cavanaugh, Operations Superintendent over the three Water Resource Recovery Facilities. April 21 – 27 was declared Wastewater Worker Appreciation Week by Governor Jared Polis, honoring wastewater workers and their contributions in protecting Colorado's water resources and the environment. Two employee groups were present representing the Las Vegas Water Resource Recovery Facility and representatives from the collection side. Chair Donelson, Board Member Talarico, and Vice Chair Avila expressed their appreciation for the work these employees do daily.

6. Compliance Reports

- I-12 Environmental Stewardship

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

- E-2 CEO Responsibilities
 - Water Outlook

Ms. Katie Garrett, Water Resource Engineer, reviewed the local weather conditions as of March 31, 2024. She said there are abnormally dry conditions across a large portion of the western and eastern portions of Colorado as of April 11, 2024. Ms. Garrett

stated the snowpack in the Arkansas River Basin is 119% of normal as of April 10, 2024, and in the Colorado River Headwaters Basin is 106% of normal. She reviewed the 2024 water demands, the monthly water use for March and the 2024 actual water consumption. Reservoir system levels are above average and Colorado Springs' system-wide storage is at 85% of capacity. Ms. Garrett discussed that South Catamount Reservoir's capacity remains restricted for dam maintenance and the South Slope system pipeline to Tollefson Water Treatment Plant will continue to be offline until mid-May due to normal winter operations.

- ECA / GCA Update

Mr. Tristan Gearhart, Chief Financial Officer, gave an update on the Electric Cost Adjustment and Gas Cost Adjustment. We are in a continued monitoring month before we are at that next cycle where make any changes to those rates. Natural gas prices are continuing to level off after the slowdown of the heating season.

7. Items Called Off Consent Calendar

There were none.

8. Ordinance Approving 1st Amendment to 2005A Standby Bond Purchase Agreement

Mr. Adam Hegstrom, Treasury and Finance Manager, gave a high-level overview on the Standby Bond Purchase Agreement Renewal.

Colorado Springs Utilities has \$4.4 billion in assets with \$2.2 billion in long-term liabilities. These are 30-year bonds. Colorado Springs Utilities has about \$63 million of these bonds expiring in September 2024.

The Utilities Board unanimously approved the item to go on the April 23, 2024, City Council Consent agenda.

9. Colorado Centre Addition No. 3 Annexation

Mr. Bryan English, Development Projects Manager, provided a brief overview of where the Colorado Center Addition No. 3 property is located and stated the owner of the property voluntarily initiated annexation. He explained Springs Utilities currently provides natural gas and electric services to the area. There is already existing utility infrastructure located near the property and there are no capacity issues anticipated. Mr. English advised the proposed annexation and water extension meets both enclave and has minor impact to the City's water supply exceptions. Per City Code, extending water into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council.

Board Member Risley made a motion to approve the annexation, and Board Member Leinweber seconded the motion. With a vote of 7-0, with Board Members Henjum and Helms excused, the Utilities Board unanimously approved to recommend

approval of extending water service to annexing property known as Colorado Centre Addition No. 3 subject to its future annexation.

10. Air Lane Addition Nos. 1-3 Public Right-Of Way Annexation

Mr. English provided a brief overview and of where Air Lane Addition Nos. 1-3 are located and stated this is a serial right-of-way annexation totaling 4.623 acres. The City received a quit claim deed from El Paso County. There are no existing utility services, and none are currently proposed. Mr. English advised the proposed right-of-way annexation meets both enclave and would result in extension of Springs Utilities water services boundary. Per City Code, extending water into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council.

Board Member Leinweber made a motion to recommend approval of extending water service to annexing property known as Air Lane Addition Nos. 1-3 Public Right of Way subject to its future annexation. Board Member Risley seconded the motion. With a vote of 7-0, with Board Members Henjum and Helms excused, the Utilities Board unanimously approved to recommend approval of extending water service to annexing property known as Air Lane Addition Nos. 1-3 Public Right of Way.

11. Space Village Road Addition Nos. 2 and 3 Right-of-Way Annexation

Mr. English provided a brief overview and of where Space Village Road Addition Nos. 2 and 3 are located and stated this is a serial right-of-way annexation totaling 4.623 acres. The City received a quit claim deed from El Paso County. There are no existing utility services. Mr. English advised the proposed right-of-way annexation meets both enclave and would result in extension of Springs Utilities' water services boundary. Per City Code, extending water into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council.

Board Member Crow-Iverson made a motion to recommend approval of extending water service to annexing property known as Space Village Road Addition Nos. 2 and 3. Vice Chair Avila seconded the motion. With a vote of 7-0, with Board Members Henjum and Helms excused, the Utilities Board unanimously approved to recommend approval of extending water service to annexing property known as Space Village Road Addition Nos. 2 and 3.

12. Dublin Park Addition No. 1 Annexation

Mr. English provided a brief overview and of where Dublin Park Addition No. 1 is located and stated this is a proposed annexation of a City-owned parcel and enclave totaling 2.058 acres. This is part of the Cottonwood Creek drainage area. The City received this parcel via resolution for Cottonwood Knolls development parkland dedication, but it was never annexed. This will be part of a stormwater improvement project. There is no existing utility service, and none are currently proposed.

There is an existing public wastewater main and electric line traversing the property. Mr. English advised the proposed annexation and extension of water service boundary meets City-owned property exception. Per City Code, extending water into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council.

Board Member Talarico made a motion to recommend approval of extending water service to the annexing property known as Dublin Park Addition No. 1. Vice Chair Avila seconded the motion. With a vote of 7-0, with Board Members Henjum and Helms excused, the Utilities Board unanimously approved to recommend approval of extending water service to annexing property known as Dublin Park Addition No. 1.

13. Resolution Approving Water Rights Acquisition

Ms. Kim Gortz, Water Supply Resource Manager, provided a brief overview of a proposal to acquire 82 shares of the Fort Lyon Canal Company from Jack K. Miller.

The Board unanimously agreed to add this to the May 14 City Council consent agenda.

14. Board Member Updates

Board Member Risley shared updates from the most recent Strategic Planning meeting, which took place on April 14, 2024. A new standing item, an economic development update, will be added to the agenda moving forward.

Board Member Talarico reminded Board Members of the May 21, 2024, Program Management Review Tour and meeting beginning at 12:30 p.m.

Chair Donelson thanked employees for their hard work and dedication during the recent windstorm and for their continued hard work during the ongoing Austin Bluffs and N. Academy Boulevard valve project.

15. Summary of Board Actions

The Utilities Board voted unanimously to recommend the ordinance approving the 1st amendment to 2005A Standby Bond Purchase Agreement.

The Utilities Board voted unanimously to recommend approval of extending water service to annexing property known as Colorado Center Addition No 3.

The Utilities Board voted unanimously to recommend approval of extending water service to annexing property known as Air Lane Addition Nos 1-3.

The Utilities Board voted unanimously to recommend approval of extending water service to annexing property known as Space Village Road Addition Nos. 2 and 3.

The Utilities Board voted unanimously to recommend approval of extending water service to annexing property known as Dublin Park Addition No 1.

The Utilities Board voted unanimously to place the Resolution Approving Water Rights Acquisition of Jack K. Miller Property on the City Council consent agenda.

16. Adjournment

The meeting adjourned at 2:26 p.m.