



Minutes
Program Management Review (PMR) Committee
Colorado Springs Utilities Board
Rosemont Conference Room/Microsoft Teams
Thursday, May 21, 2024

Committee members present via web conference or in the Rosemont Conference Room:
Committee Chair Michelle Talarico, Dave Donelson, Randy Helms, and David Leinweber

Board members present via web conference of in the Rosemont Conference Room:
Nancy Henjum

Staff members present via web conference or in the Rosemont Conference Room:
Travas Deal, Mike Francolino, Tristan Gearhart, Jay Anderson, Joe Awad, Pattie Benger, Kevin Binkley, Andy Colosimo, Jeff Courtright, Jessica Davis, Steve Duling, Marcela Espinoza, Chris LeLeux, Natalie Lovell, Lindsey Martin, Tara McGowan, Jason Miller, Rich Norton, Dave Padgett, Nick Peters, Jessica Ramirez, Jason Rigler, David Ruddy, Gina Smith, Debbie Snyder, Dave Thompson, Shawn Timothy, Natalie Watts, Al Wells and Gail Pecoraro

City of Colorado Springs staff members present via web conference or in the Rosemont Conference Room: Renee Congdon, Gregory Anderson, David Beckett, Jennifer Carpenter, Linda Helsley and Rhea Hendrixson

Citizens present: None

1. Call to Order and Review Minutes

The meeting started at 2:30 p.m. and Chair Michelle Talarico read a statement regarding the Colorado Open Meetings Law and City Charter and stated that public comment would not be a part of the meeting. Ms. Talarico thanked the Board Members and staff that participated in the Tollefson Water Treatment Plant tour earlier in the day.

The minutes from the February 15, 2024, Program Management Review Committee meeting were accepted for posting.

2. Gas Distribution Integrity Management Program (DIMP) Update

Mr. Nick Peters, Operations Technical Services General Manager, gave an update on the Gas Distribution Integrity Management Program (DIMP).

There are seven key elements of DIMP, required under the Code of Federal Regulations. These include: 1) Know Your System, 2) Identify Threats, 3) Evaluate and Rank Risk, 4) Identify and Implement Measures to Reduce Risk, 5) Measure Performance, Monitor Results, and Evaluate Effectiveness, 6) Periodic Evaluation and Improvement, and 7) Report Results.

An overview of the 2024 DIMP metrics schedule (including Q1 planned and actual progress) and 2023 DIMP budget was provided.

Currently, there are no areas of concern.

3. Enterprise Resource Planning

Mr. Mike Francolino, Chief Customer and Enterprise Services Officer, introduced Mr. Chris LeLeux, the new General Manager of Information Technology.

Ms. Lindsay Martin, Information Technology/Operational Technology Project Manager, reviewed the Enterprise Resource Plan/Infor Project. This will be implemented in three phases. The first phase is set to go live in July. The new software will replace the existing financial and Human Resources data and functionality, migrating it to the cloud. The existing software was no longer being supported.

Project accomplishments were highlighted. The budget overview was discussed. Next steps were explained, beginning with phase one, which is expected to be completed in mid-September 2024. Phase two kicks off in September 2024 and phase three begins in March 2025.

4. 2024 Q1 Project Dashboard Review

Mr. Steve Duling, Manager of Project Management, highlighted aspects of the dashboard, including energy projects, fiber, gas projects, water service projects for pumping stations, portable water tanks and the Clear Springs Ranch biogas project.

Ms. Gina Smith, Advanced Utilities Manager, gave an update on Advanced Metering Infrastructure (AMI) meter installations and estimated completion dates. Installations are averaging 1,400 per day.

5. Supply Chain Outlook

Mr. Rich Norton, Supply Chain General Manager, reviewed the global factors that are currently impacting the supply chain, including geopolitical tensions.

Lead times on core materials are still a concern. While some lead times have shortened since January 2022, others remain extremely high – phase 3 transformers are at 120 weeks' lead time and gas steel pipe is at 43 to 46 weeks. These delays are impacting our construction timelines.

The supply chain outlook has impacts on our project management budgets, schedules, and mitigation strategies.

6. Closing Remarks and Adjournment

There were no closing remarks. The meeting adjourned at 4:01 p.m. The next meeting is Aug. 20, 2024.



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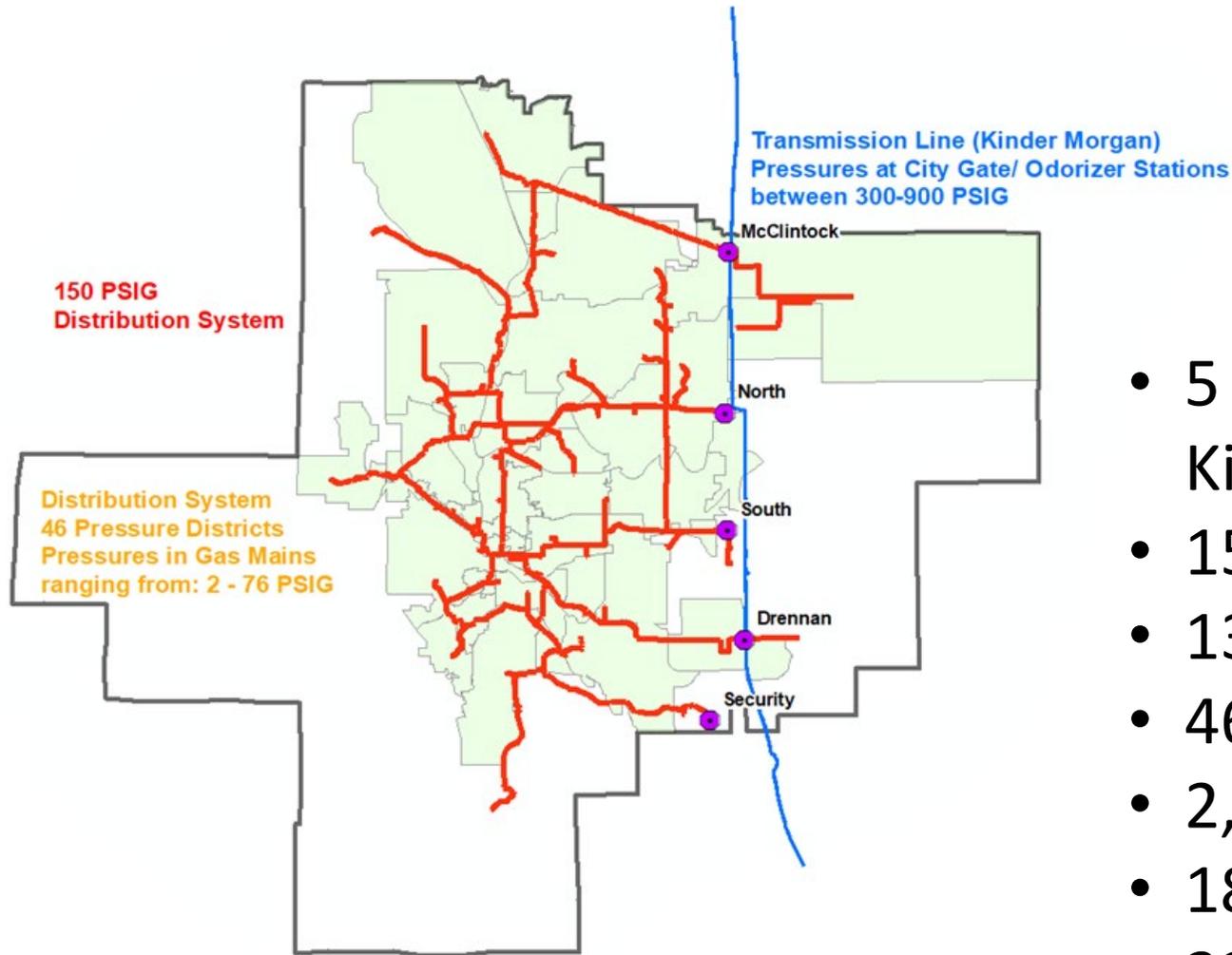
Gas Distribution Integrity Management Program (DIMP) Construction Metrics Q2 2024

Nicholas Peters, Operations Technical Services General Manager

August 20, 2024

Overview

Gas System Overview



System
Reliability

Integrity

Capacity

- 5 Gate Stations Receiving Gas from Kinder Morgan
- 157 Miles of 150 PSIG Backbone
- 137 Regulator Stations
- 46 Pressure Districts
- 2,750 Miles of Main Piping
- 185,677 Service Lines
- 223,000 Metering Points

Distribution Integrity Management Program Requirements

- **49 Code of Federal Regulations, Part 192, Subpart P – Published December 4th, 2009 – “Pipeline Safety: Integrity Management Program for Gas Distribution Pipelines”**
- **§192.1005 Gas Distribution Operators needed to have a Published DIMP Program Plan by August 2nd, 2011**
- **Required Elements of a DIMP Program for all Gas Distribution Operators**
 - Know Your System
 - Identify Threats
 - Evaluate and Rank Risk
 - **Identify and Implement Measures to Reduce Risk***
 - **Measure Performance, Monitor Results and Evaluate Effectiveness***
 - Periodic Evaluation and Improvement
 - **Report Results***

***Focus for 2023 Utility Board PMR Presentations**

Schedule and Budget

2024 DIMP Metrics Schedule

Operator Defined Metrics for 2024 DIMP Program	Type	2024 Annual Quantity	Q2 Planned Progress (Cumulative)	Q2 Actual Progress (Cumulative)
60 Day Timeframe to Map all Projects	Average Days to Map	60	60	175
Utilize Records to Map Unmapped Stubs	Count	50	25	20
Backlog for Unmapped Projects to Complete	Count	40	35	23
Inside Meters	Count	20	5	2
Services Under Structures	Count	50	10	9
Unprotected Coated Steel Services - Renewals	Count	30	35	36
Additional CP 10% Readings & Spike Anodes	Count	2,412	600	0
Additional Accelerated Leak Survey - Services	Count	834	690	630
Bare Steel Services	Count	85	38	42
GCA of Individual Steel Services	Count	100	80	129
Bare Steel Mains	Mileage	0.3	0.34	0.27
Mechanical Fittings Removals	Count	10	9	8
Coated Steel Mains	Mileage	1.25	1.32	1.33
150 PSIG Mains	Mileage	2.75	1.80	1.36
Aerial Crossings Lowered	Count	3	2	2
Gate Station Over Pressure Protection	Count	2	0	0
Cross-Bore (Cleared Sewer Laterals)	Count of Laterals	1,800	800	849

2024 DIMP Budget

Project / Program / Portfolio Title	2024 AAFP	2024 AFE	2024 Q2 Planned Spend (Cumulative)	2024 Q2 Actual Spend (Cumulative)
280005 – Valves	\$40,000	\$40,000	\$6,828	\$6,053
280011 – Regulator Stations	\$34,000	\$34,000	\$106,298	\$129,942
293178 – Bare Steel	\$721,000	\$721,000	\$382,353	\$313,064
293179 – 150 PSIG Renewals	\$6,595,000	\$6,595,000	\$4,274,559	\$3,835,571
293180 – Coated Steel	\$1,268,000	\$1,268,000	\$1,173,757	\$1,186,344
293181 – Vintage Plastic	\$452,000	\$452,000	\$45,000	\$0
293182 – Other High Risk (Individual Service Renewals)	\$200,000	\$200,000	\$117,697	\$392,213
293186 – 150 PSIG Over-Pressure Protection	\$1,500,000	\$1,500,000	\$179,657	-\$14,563
Totals	\$10,810,000	\$10,810,000	\$6,286,149	\$5,848,624

Areas of Concern

Areas of Concern

- Break-in Developer Work and Customer Capacity Projects pushing DIMP priorities and resources
- New Construction continues to ramp up leaving no additional resource bandwidth to catch up on DIMP targets

Safety

DIMP Construction Projects

2024 Safety Incidents

Safety Incident Type	Q1	Q2	Q3	Q4	Annual Total
Motor Vehicle Accident	2	1			3
Utility Damage	0	0			
Injury or Illness	0	0			
Jobsite Security	0	1			1

Gas Distribution Integrity Management Program

Questions?



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Sustainable Energy Portfolio (SEP)

**Project Management Report
August 20, 2024**

**Jessie Marshall, Project Manager IV
Joe Awad, General Manager**

Portfolio Overview

The Sustainable Energy Portfolio (SEP) is a set of projects necessary to achieve the Utilities Board's direction as described in the 2020 and 2023 Electric and Gas Integrated Resource Plans (IRP) to meet energy needs.

- Key elements of the IRP direction include:
 - Achieving 80% carbon reduction by 2030
 - Decommissioning of Drake no later than 2023 and Nixon 1 no later than 2030
 - Acquisition of new energy resources while maintaining reliability and cost effectiveness for gas and electric service.

Acquisition of New Energy Resources- Contracting Strategy- 3 Requests for Proposal (RFP)

Three different contracting strategies will be leveraged for the program, between PPA, Progressive Design Build, and EPC.

RFP	Resource Type	Total Capacity Addition (MW)	Contracting Strategy
RFP 1	Solar	525	PPA
	Wind	625	PPA
RFP 1 & 2	Natural Gas	350	PPA; Progressive Design Build (with GMP)
RFP 1 & 3	BESS	200	ESA ¹ ; EPC

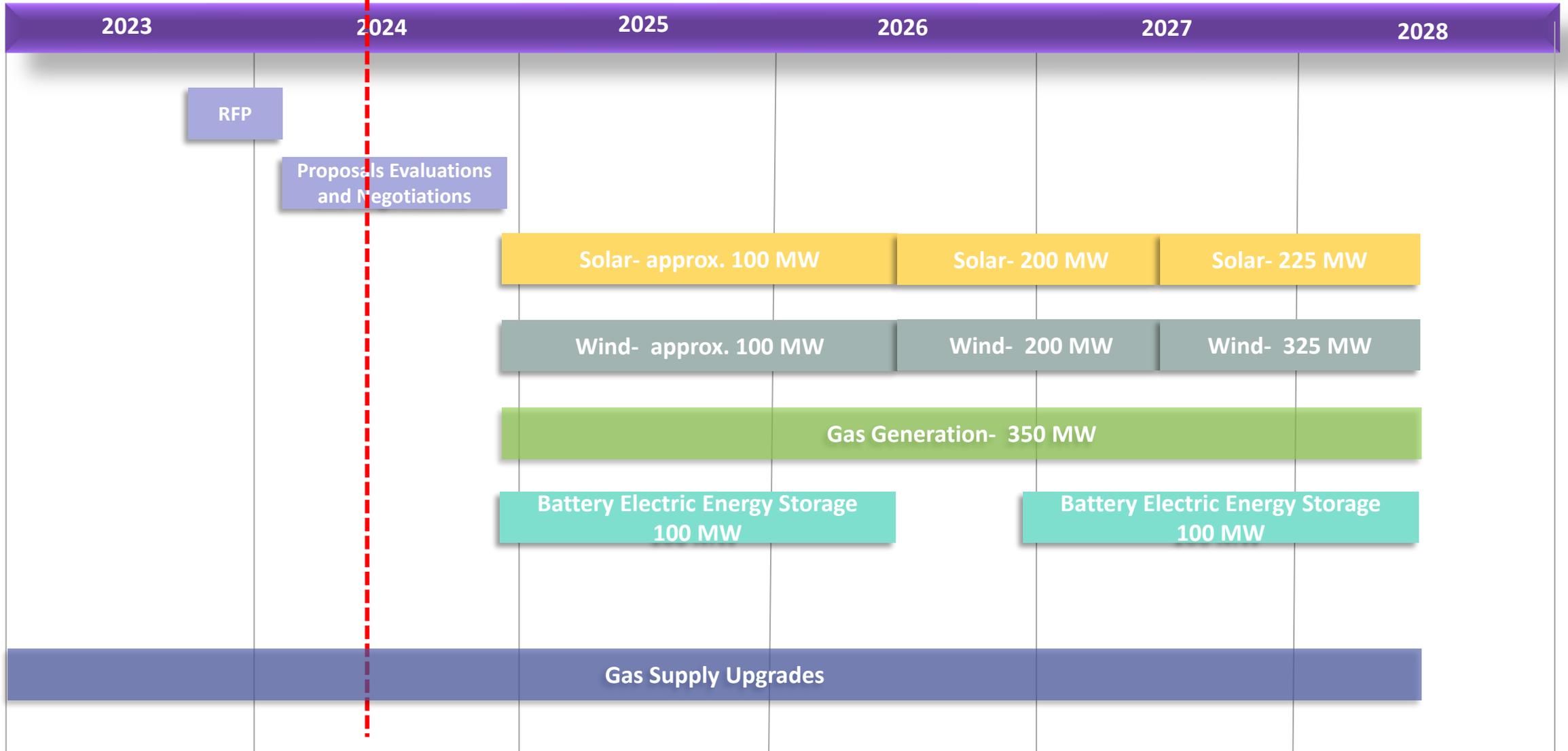
RFP= Request For Proposal
PPA= Power Purchase Agreement
GMP= Guaranteed Maximum Price
ESA¹= Energy Storage Agreement
EPC= Engineering, Procurement and Construction
BESS= Battery Energy Storage System

¹ESA or Energy Storage Agreement is a battery version of PPA where UTILITIES will not own and operate the resource.

Acquisition of New Energy Resources (2024 - 2028)

June 2024

Schedule and Sizes are approximate and representative



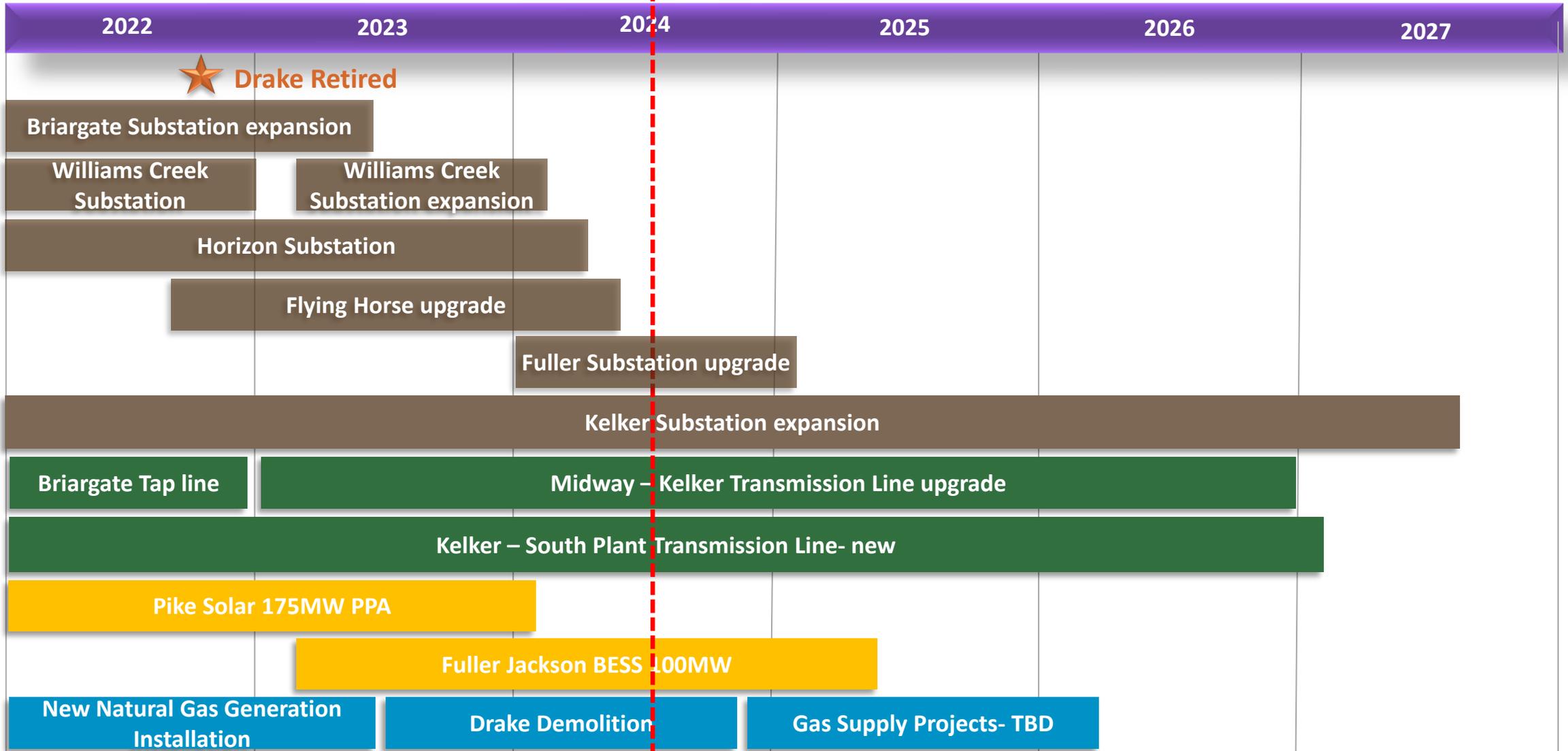
Maintaining Reliability

Energy Projects- in progress

- Transmission substations
 - 6 substations added or being upgraded
- Transmission lines
 - Kelker- South Plant - new
 - Kelker- Midway Transmission – new and upgraded
 - Midway- Nixon- new
- Gas supply upgrades
- Drake demolition

Energy Projects Schedule (2022 - 2027)

June 2024





Budget

Sustainable Energy Plan (SEP)

SEP Projects Budget

- **Total Capital Budget** (projects in progress and initiated) **\$ 574 M +**
 - 6 substations added or upgraded \$ 200 M
 - Kelker – South Plant Transmission \$ 20 M
 - Kelker - Midway Transmission \$ 72 M
 - Midway- Nixon \$ 7 M
 - South Plant Generating Units \$ 215 M
 - Gas Supply projects \$ 60 M

- **O&M Budget**
 - Drake Demolition \$ 22 M
 - RFP/ PPA TBD

Risks

Sustainable Energy Portfolio (SEP)

Risks

- Supply Chain
 - Long lead times on equipment/ material
 - Availability of material and labor resources
- Financial:
 - Cost of money
 - Rate impacts
 - Easement acquisition
- Regulatory and legislative drivers (permits and political)
- System outage coordination
- Gas supply

Safety

Sustainable Energy Portfolio (SEP)

Safety Q2 -2024

- Electric Infrastructure Projects
 - Utility Strike: 12.5KV Feeder hit by contractor with Jackhammer- no injuries, short outage
 - Utility Strike: 240VAC hit by contractor; feed to construction trailer – no injures
 - Two vehicle/equipment accidents: Minor damage to contractor trucks – no injuries

Next Steps

Sustainable Energy Portfolio (SEP)

Next Steps

- New Energy Resources Acquisition:
 - RFP- complete evaluations and negotiations
- Energy Projects
 - Continue design, construction and testing of substations
 - Obtain easements and permits for new transmission lines
 - Complete design of gas upgrades
 - Complete Drake demolition



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2024 Program Management Review (PMR) Committee Dashboard

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOFB	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
	Operational Fiber Network (193952) This project expands and improves the fiber optic telecommunications infrastructure for Colorado Springs Utilities.	Thane LaBarre / Jason Miller	Construction	Q3/2020-Q1/2028	\$509M	\$68.4M	➡	➡	Huts: Construction in progress, 11 of 12 hut buildings are planned for completion by year end 2024. Five of these Huts are substantially completed with three others placed and under construction. Final Hut building planned to complete in Q1-2025. Backbone: Initial Design completed. Due to easement challenges a design revision is in process, Construction in progress, estimated completion Q2-2025. Network: conceptual design complete for entire network. Final design complete for 4 of 13 network sections. Construction began in Q4-2022, Network delivery behind schedule 14 months from initial deliverable. To compress schedule and bring back to contract obligation, Single Source contract executed and new RFP sourcing event is in process. Revised 2024 Budget = \$32,691,123
	SEP -Horizon Substation (193873) Construction of a new 230kV substation to support transmission needs in support of decommissioning of Drake and to support distribution needs for the region. This project is part of Phase 1 in the Advanced Technologies Campus.	Zach Shearer	Construction	Q2/2020-Q1/2024	\$43.7M	\$0.7M	⬆	⬆	Project is Substantially Completed
	SEP - Midway - Kelker Transmission Line 115kV/230kV (193880) Rebuilding the existing 115kV transmission line to a double circuit 230kV & 115kV transmission line. This will include one interconnection substation and three connections to existing substations, with some minor modifications to the existing substations. Reconstruction is necessary to replace aging poles and outdated conductor with newer more efficient conductor for future growth and reliability.	Ryne Solberg	Design	Q4/2020-Q1/2027	\$79.05M	\$1.6M	➡	➡	Design is nearing 90% phase while all conductor and wind speed analysis are complete. Geotechnical surveys are complete and logs will be provided by Q3 to support design. All forms of permitting (environmentals, CDOT, etc..) will begin Q4 of 2024. Construction expected to begin Q4 of 2025
	SEP -Kelker-South Plant New 115kV Transmission Line (193877) New overhead single circuit 115kV transmission line from Kelker Substation to South Plant Substation. This added transmission infrastructure is needed to support Drake decommissioning and future Temporary Natural Gas Generator (TNGG) relocation.	Ryne Solberg	Design	Q2/2021-Q1/2027	\$29.5M	\$0.3M	⬆	➡	Design is scheduled to begin again in Q3 of 2024 after some routing negotiations and installation requirements. Land acquisition negotiations are ongoing on the remaining 10% of properties. Construction is expected to begin in Q1 2026.
	SEP -Kelker Substation Rebuild-Expansion (193874) Expansion and reconstruction of an existing substation to transition both the 230kV and 115kV bus to breaker-and-a-half configurations. Reconstruction allows for an additional two 115kV lines, 230kV line and substation equipment. 2023 work will focus on site work, construction of the new wall around the expansion site, and major equipment deliveries.	Zach Shearer	Construction	Q2/2020-Q2/2027	\$87M	\$17.1M	➡	➡	The perimeter wall and all foundations for the 230kV Expansion yard have been completed and all major 230kV equipment is on site. The primary focus for 2024 will be the 230kV expansion yard to include equipment installations, high steel, cable trench, duct bank, conduit, and ground grid installation in the 230kV yard. Our series of transmission outages will begin in the fall.
	Central Bluffs Substation (193642) This project will provide a new facility to accommodate future load growth and contingency needs around the North Nevada revitalization project and UCCS. It will also allow Utilities to remove 2 substations and 1 switchstation from service which would otherwise require significant upgrades. Work planned to be accomplished in 2024 includes completion of property acquisition transactions, completion of equipment procurement, existing building demolitions, new substation design and partial construction.	Steven Gaeta	Design	Q2/2019 - Q1/2027	\$42M	\$10.0M	➡	⬇	Design is in progress with the 30% set expected in early September, 2024. Project site rezone has been approved. CSFD is training in abandoned buildings until demolition begins. Building demolition is planned for late August/early September, 2024. Project is behind schedule as we worked through planning for future equipment and how to manage the recreational space in support of rezoning the site. Budget is lower this year due to schedule delays mentioned and reduced cost with abatement and demolition.
	SEP EIRP Implementation (193784) Replacement generation needed to support the decommissioning of Drake, Nixon 1 and Birdsall power plants.	Jessie Marshall	Procurement	Q4-2023 - 2034	\$677M 2024-2034	\$4.8M	➡	➡	The team is currently negotiating a contract with the vendors on the shortlist for the natural gas. The team is planning on finishing the evaluation process for the renewable assets and moving into negotiations this summer and fall.
	Distribution System Improvements (192383) Routine system enhancements and extensions to the electrical distribution system required to maintain electric reliability and contingency switching solutions for existing customers. These projects are critical to the integrity of the system, especially in areas experiencing higher vertical and/or horizontal load growth.	Susan Lovejoy	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually	\$3.0M	➡	➡	

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOFB	Schedule Performance	Budget Performance	Comments
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	Manitou Units 1&2 Turbines & Generators Rehabilitation Project (193970) Rehabilitate Units 1&2 at the Manitou Hydroelectric Facility to include a full generator rewind, new rotor field, and new runner.	Kyle Schelhaas	Design	Q2/2024 - Q1/2026	\$4.8M	\$2.4M	→	→	The Manitou Hydro Isolation Valve D/B project has affected the progress of this project due to pipe leaks between the newly installed isolation valves and generation units. Due to changes in scope, this project will include pipe repair and rehabilitation of the generation units. A sole source to Thompson Construction has been approved. Changes to the SoW are currently in progress to encompass the pipe repairs, once complete, we will send to Thompson for pricing and contract negotiations.
	New Substation - Northeast Area of Existing Service Territory (194030) Build a new substation in the vicinity of Briargate substation area. Requirements include ~1 mile of new transmission, new 50MVA 230/13.2kV transformer, switchgear, and up to 4 new feeders.	Ryan Kirby	SAA	Q1/2024 - Q4/2026	\$34.25M	\$2.0M	→	→	Determine final location and purchase property in 2024 for new substation
	SEP Portfolio Management (193887) Manage and deliver all the projects identified within the Sustainable Energy Plan portfolio.	Shawn Timothy	On-Going Program (Design & Construction)	Q1/2021 - Q4/2029	\$17M	\$1.9M	→	→	The Program is still on schedule to track and spend the 2024 revised budget
	SEP Risk Tracking (193926) Risk contingency required to cover portfolio level risk expenses identified within the Sustainable Energy Plan portfolio.	Shawn Timothy	N/A	N/A	\$0	\$1.8M	→	→	\$0 AOFB, also no management reserve. No reporting on this going forward
	Front Range HRS1 Elevator (193118) Install an elevator on Front Range Heat Recovery Steam Generator 1 (HRS1) to safely transport personnel and tools to the top of the structure and provide a means for evacuating someone from the top of HRS1 in an emergency.	Melissa Lingo	Design	Q1/2026 - Q2-2025	\$2.2M	\$1.7M	↑	↑	Through a 2nd solicitation, we were able to secure an installation contractor. We were also able to negotiate most of the work to occur in 2024 with minimal carry over to 2025. This is a significant improvement from Q1-2024 when we had only one respondent to the solicitation and they withdrew their offer.
	Patty Jewett Substation - Add New Transformer, Switchgear, Feeders, and Retire Memorial Hospital Sub (194026) Install a new 25MVA 34.5/13.2kV transformer, switchgear, two new feeders, and retire aging equipment at Memorial Hospital substation.	Ryan Kirby	Design	Q1/2024 - Q4/2026	\$5.5M	\$1.6M	→	→	Design is complete, Long lead Electrical Gear is on order.
	Flying Horse Substation - Add New Transformer, Switchgear, and Feeders (193780) Add new transformer, switchgear, breaker and up to 4 new feeders for contingency of the other transformer and future load growth. Work planned for completion in 2024 includes completion of feeder planning, civil/structural (external) design, electrical (internal) design, and order of remaining equipment.	Steven Gaeta	SAA	Q2, 2021 - Q4, 2025	\$8.3M	\$1.6M	↓	↓	Transformer planned to be installed for this project has been moved to another substation due to overall priorities to maintain Electric system reliability. Schedule and budget impacts are being reviewed.
	Horizon Substation - Add New Feeder (194025) Add a 4th distribution feeder from the 230/13.2kV transformer to serve new load in the vicinity of Horizon substation.	Adam Garcia	Construction	Q1 24 - Q2 24	\$1.6M	\$1.6M	→	→	Project finished in Q2-2024, estimated final cost about \$817k (as of 6/28/24)
	SEP Flying Horse Substation - Series Reactor Addition (193966) Add reactor to the Flying Horse substation. The planned reactor at Flying Horse is needed so that present and proposed renewable injections of power into adjoining systems do not overload Colorado Springs Utilities' system under contingency. Work planned for accomplishment during 2024 includes delivery and installation of major equipment, completion of construction, commissioning, and energization of the new reactor.	Steven Gaeta	Construction	Q4, 2021 - Q3, 2024	\$3.4M	\$1.2M	→	↑	Project is substantially complete with punchlist items remaining.
	Green Mountain Substation Rebuild (193699) Replacement of Green Mountain Substation, a rural distribution substation made up of aging and obsolete components.	Kevin Wilson	Design	Q3/2021-Q2/2025	\$3.0M	\$1.0M	↓	↓	Design and equipment purchase are on-going. Lead times for Medium Voltage Switchgear have moved to 2 years and will delay the construction of the project to late 2024 or early 2025. Delay will add some increased cost. There will be further delays from the mini-mobile transformer failing at Yampa. So far there is no estimate for repair or replacement. Switchgear is currently being ordered. It is unclear what impact using the transformer at Yampa will have on the GMF rebuild.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AAFP	Schedule Performance	Budget Performance	Comments
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	Front Range CT 2 Rotor Replacement (193898) Purchase and Installation of CT1 and CT2 Combustion Turbine Rotors: CT1 and CT2 will have to refurbished rotors installed, CT2 will be installed in the Fall of 2024 and CT1 will be installed in the Spring of 2025. Purchase cost of rotor spread out over 2023, 2024 and 2025	Brett Gage	Design	Q1/2022-Q4/2024	\$15.6M	\$12.2M	➡	➡	
Gas	DIMP - Gas Coated Steel Renewals (293180) Replace high risk segments of coated steel pipe. Aging coating materials can deteriorate and become disbonded from the pipe. When coatings fail, corrosion can attack the exposed steel pipe. The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$1.3M	➡	➡	DIMP Portfolio is on track to be fully spent in 2024.
	DIMP - Gas Bare Steel Replacements (293178) Identify the highest risk bare steel mains and services and replaces them with plastic. Uncoated steel pipelines are known as bare steel pipelines. The age and lack of protective coating typically makes bare steel pipelines of higher risk as compared to some other pipelines and candidates for accelerated replacement programs. The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$0.8M	➡	➡	DIMP Portfolio is on track to be fully spent in 2024.
	Gas 150P Over Pressure Protection (293186) This program is to complete gas distribution system improvements driven by regulatory compliance with the Pipeline and Hazardous Materials Safety Administration, Part 192.195 for over pressure protection at the five gate stations. Projects include installation of new gas infrastructure such as regulating equipment, emergency valves, electrical, instrumentation, backup generators, equipment enclosures, and relief valves. Work in 2024 includes construction of North and South Gate Stations with Drennan and Security Gate Stations being constructed in 2025.	Melissa Lingo	Design	Q4/2020-Q1/2026	\$8.2M	\$2.23M	➡	⬆	North Gate Station construction is almost complete. Will start South August 2024. Security is in process of being rescoped per management direction. In final stages of descoping Coffman for design of Drennan and Security and executed contract with Pond today for design.
	DIMP - Gas Vintage Plastic Renewals (293181) Replace high risk vintage pipe segments, fittings and valves. Some vintage plastic pipe and fittings are known to be prone to stress cracking due to the characteristics of the pipe resin or the design of the fittings. The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$0.5M	➡	➡	DIMP Portfolio is on track to be fully spent in 2024.
	DIMP - Gas Risk Based Projects (293182) Address risks identified by the DIMP Program that do not fit in the Bare Steel, Coated Steel, 150 PSIG System and Vintage Plastic replacement programs. These risks are primarily identified by SME information and failure data. The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$0.2M	➡	➡	DIMP Portfolio is on track to be fully spent in 2024.
	DIMP - Gas 150P System Renewals (293179) Identify and replace the highest risk 150 PSIG main segments with more modern coated steel piping. The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. The 150 PSIG system consists of the highest-pressure mains in the distribution system. Because the pressure is higher the consequence of failure is higher and poses a greater risk to the safety of our customers if left unmaintained.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$6.6M	➡	➡	DIMP Portfolio is on track to be fully spent in 2024.
	Marksheffel Connector GPAP expansion (293170)								

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOF	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
	Increase the capacity of existing Propane Air Plant (PAP) from 1,800 dekatherm/hour to 2,400 dekatherm/hour by installing three additional air compressors.	Mark Munoz	Construction	Q2 2024- Q1 2025	\$7,479,758	\$4.2M			Construction began July 2024 to be mechanically complete by Jan 2025, and substantially complete October 2026 after testing and integration.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOFB	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
	Gas Unplanned Maintenance (293183) Complete emergent gas distribution maintenance projects that cannot be planned within the normal budget cycle. Projects may include renewals due to leaks, excavation damages and cathodic protection system failures. Federal Regulations require prompt remedial action for correcting these deficiencies. Typically, prompt remedial action is within one calendar year. Response to city improvement projects may also be performed within this program. Program scoping is based on a historical trend of past program activity.	Mark Peters	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually Since 2020	\$1.7M	→	→	Unplanned Capital Renewal Work due to Leaks, repair when damage occurs, etc.
	New Gas Propane Air Plant (293166) Design and construct an additional Propane Air Plant identified by the 2020 Gas Integrated Resource Plan (GIRP) needed for peaking capacity in the mid to late-2020s.	Mark Munoz	SAA	Q1 2024 - Q2 2029	\$52,892,867	\$0.7M	↓	↓	Project has been put on hold as we review the need for a new Propane Air Plant.

	Finished Water Linear Asset Program (394744) Renew degraded and aging finished water infrastructure through various methods, minimizing current and future water main system failures, and delivering safe, reliable drinking water along with fire protection to our customers. Colorado Springs Utilities has over 2,100 miles of transmission and distribution water mains that we serve. The program plan for 2024 is to rehabilitate approximately 50 miles of this pipeline using Condition Assessment, Cathodic Protection, Design, Lining and Replacement.	Rockie Wiley	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually; Ranging from \$11M-\$16M	\$16.1M	→	→	The Program is on track to deliver the 2024 planned projects within the current 2024 AFE. Note that the 2024 Capital Non-Labor AFE is currently \$16.1M and the approved Capital Labor AOFB budget for internal construction crews is an additional \$2.3M.
	Highline Pressure Zone Extension and Redundant Supply (394749) This project includes design and construction of 5.2 miles of 30", 24" and 12" water transmission and distribution main that will extend the Highline Pressure Zone of the potable water system further to the south to provide water service to the southerly portion of the Banning Lewis Ranch annexation area along with create a redundant water supply to the Colorado Springs Airport. The 2023 project plan is to continue to procure and store long-lead materials and have the design completed from the awarded design firm with an anticipation of pipeline construction to begin in the 4th quarter of 2024 and a final completion scheduled for end of 2026.	Rockie Wiley	Design	2020-2026	\$27.4M	\$7.0M	→	→	Construction is planned to begin Q4/2024 with a final completion of the project planned for Q4/2026. Utilities plans to phase the project over multiple years, and possibly utilize internal construction resources to minimize impacts on the Capital budget due to cost increases. Cost recovery is expected in future years when development occurs. Long lead materials are being delivered.
	Public Improvement Projects -Water (380083) Colorado Springs Utilities' share of water relocations, betterments and improvements as a result of Pikes Peak Rural Transportation Authority (PPRTA), City Capital Improvements Projects, El Paso County and Colorado Department of Transportation (CDOT) public improvement projects. 2024 public improvement water projects currently include Circle Dr. Bridges, Fontenaro and I-25 Bridges, Academy Blvd. Reconstruction, Galley and West Fork of Sand Creek, Reconstruction of Nevada Ave Storm Sewer Outfall, Marksheffel Widening, and Voyager over SH-21.	AJ Wertz	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually; Ranging from \$2M-\$4M	\$4.0M	→	→	Program is on track to support partner program projects where utility relocations are required and/or that cooperatively benefit Colorado Springs Utilities infrastructure needs and to spend the approved AFE by the end of 2024.
	Potable Water Pumping Station Replacement Program (394587) Rehabilitate and/or replace pump stations, pump station equipment and systems to maintain reliable water service to our customers. Formal condition assessments have identified targeted replacement of PS Equipment and Systems.	Larysa Voronova	Design and Construction	Ongoing	Ongoing Annually	\$2.6M	→	→	There are three pump station projects with major activities in 2024, Point of the Pines (POP), Green Mountain Falls (GMF), and Lower Skyway. POP : Work continues with installation of the discharge pipeline with Substantial Completion for the Project planned to occur by the end of Q3-2024. GMF : New Pumps have been delivered. Pump station has been commissioned and is now in service. Demolition of the existing pump station it the last major activity. Lower Skyway : 30% design achieved and contract executed for our Construction Manager / General Contractor (CMGC).

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AAFP	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
Water Service	Continental-Hoosier System Project (394345) Permit a storage enlargement of 8100 ac-ft at Montgomery Reservoir to improve collection and conveyance management in the CHS system and increase the average annual yield delivered through the Blue River pipeline by 4000 ac-ft. The total storage capacity at Montgomery after the enlargement will be 13,800 ac-ft. The project is identified in multiple studies as a critical project to maintain reliability for current customers and at buildout of the City. Permitting activities extend through 2026 with construction in 2027.	Dave Mason	Permitting/Preliminary Design	2019-2030	\$203M	\$3.0M	→	↑	Permitting and 30% Design are on track. Projected spend for permitting and design this year is approximately \$1M over 2024 AAFP, but overall projected cost has not changed.
	Potable Water Tank Refurbishment / Replacement Program (394575) Prioritize, refurbish and/or replace tanks and appurtenances to provide uninterrupted water delivery. The program addresses issues found during periodic condition assessment, inspections, and maintenance activities of the water distribution systems 43 potable water tanks. Each tank project ensures potable water distribution storage, fire protection and pump station suction storage to the water distribution system. 2024 includes: Cedar Heights 3 Tank, and Austin Bluffs 5-million-gallon tank.	Bryan Gimbel	Design and Construction	Ongoing	Ongoing Annually	\$1.9M	→	→	Cedar Heights Tank 3: Working with Procurement to solicit IFB for tank rehabilitation project. Anticipate construction phase in Fall 2024 Wilson Tank: Tank has been coated in Juniper Green and was placed in service on 6/29/2024. Austin Bluffs SMG Tank: Decision was made to demolish and replace the existing steel tank. Design is out for procurement, anticipate getting design consultant onboard by 4th qtr. Construction will occur in 2025 and 2026.
	Specialty Valves Rehabilitation and Replacement Program (394651) Implement the rehab/replacement of specialty valves in the water system, already identified, assessed and prioritized, to ensure safe and reliable water service to our customers. Work in 2024 includes: Academy Corridor, Phase 2 and Academy & Meadowland Valve Vault D/B design phase. 2025 includes: Construction of Academy & Meadowland.	Kyle Schelhaas	Design and Construction	Ongoing	Ongoing Annually	\$5.9M	→	→	Academy Corridor Valve Replacement Project: Phase 1 of the Project was completed in Q2 of 2023, Phase 2 was completed in Q2 2024. Overall, the project was completed two weeks early and was \$345K under budget. Manitou Hydro Valve Replacement: Construction was completed for the valve replacements in the facility in January 2024. Further pipeline repairs will be completed under a different project. Academy and Meadowland Valve Vault Replacement Project: Design commenced in Fall of 2023 under a Design/Build contract and critical materials were ordered in January 2024. Currently, Construction is scheduled for Spring 2025.
	Homestake Suction Pipeline Replacement (394477) Continued replacement of sections of the Otero suction pipeline. The 2008 Homestake Assessment Project detected circumferential and longitudinal cracks in the 66" Otero suction pipeline. These cracks pose a significant risk to the life of the nearly 50-year-old pipeline. Failure of this pipeline could lead to a failure in the obligation to serve, since the majority of Colorado Springs Utilities' raw water is transported through this crucial pipeline. Required for continued compliance with Excellence in Governance Policy I-6.	Dave Mason	Construction	Q1-Q2 Yearly-submittals and permits, Sept 1-October 31 Yearly-construction during outage	\$12M Construction Phase over 5 years (Utilities half is \$6M)	\$1.2M	→	→	This is year four of this five year project. 2024 work will start in August and is scheduled to be substantially complete by 10/27/24.
	Homestake Collection System Pipeline Repair and Rehabilitation (394711) Public Improvement Projects -Water (380083)	Dave Mason	Construction	August 1- October 31, 2022 through 2026	\$17M Construction Phase over 5 years (Utilities half is \$8.75M)	\$2.0M	→	↑	This is year three of five for the construction of this phased project. This was originally forecasted as a three year project, but was increased to five years based on bids received and projected market conditions. 2024's scope includes debris removal inside of the pipe, abatement/removal of the existing interior coating system, and installation of the new coating system for the French/Fancy section of the collection system. Work will start in July and be substantially complete on 10/31/24. Cost is projected \$280k over AAFP, but reflects the hope that we can get an additional 550' of pipe coating done beyond the original plan this year.
	WOLF Pressure Zone Interconnection, Phase 1 (394652) Extend a 24" and 16" pipeline approximately 3.8 miles from Old Ranch Road and Powers Boulevard to the Highway 83 PS. This is a vulnerability identified in the 2016 FWSP, reviewed and modified in the 2021 FWSP. This extension will 1) increase reliability, 2) reduce pumping requirements at the Northgate PS, extending its useful life without capacity increases and 3) provide the emergency connection between two independent Briargate Pressure Zones.	Andy Muser	Design	10/2023-4/2027	\$22M	\$1.7M	→	→	Design RFP published 4/23; award planned for late Summer.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOF	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
	Water Acquisition - Temporary Use Waters (394683) Develop new water sharing projects or alternative transfer methods (ATMs) to acquire temporary use waters. ATMs have been identified in the Integrated Water Resource Plan (IWRP) as a key component of a Balanced Portfolio. Acquiring new water supplies through ATMs in the near-term is essential for mitigating risks from drought and administration of water rights associated to other sources of supply. Acquiring new water supplies through ATMs is essential for long-term water resource development to serve the city through buildout.	Kim Gortz	Planning	Jan 1- Dec 31, 2024	\$6.8M	\$6.8M	→	→	\$2.5 M Bent County Mitigation Payment \$3.5 M in acquisitions \$.8 M legal
	LVSRRF East Non-potable Reservoir Floor Replacement (394498) Replace the concrete liner for the Las Vegas Street Wastewater Resource Recovery Facility (LVSRRF) east non-potable water reservoir basin. The basin is experiencing significant spalling and cracking of the concrete surface. The project design to replace the concrete liner was completed in 2018 based on findings from the 2017 engineering study and alternatives analysis. Phase 1 of the east non-potable water reservoir replacement construction commenced Q4 2023 with a phase 2 completion in 2024.	Mike Lovato	Complete	August 1, 2023 - April 26th, 2024	\$2.4M	\$2.4M	→	→	Project is complete. Finishing up closing contract with procurement for the engineering services.
	N. Slope - South Catamount Dam Rehabilitation (394696) Rehabilitate the steel upstream face of South Catamount Dam to include cleaning, removal of corrosion scale, repair of the facing as required, rehabilitating cathodic protection, applying an appropriate coating (polyurethane or epoxy), and repair of damaged concrete at the plinth and groins. The project will rehabilitate the outlet works to minimize risk and maximize reliability and repair as well as the dam face and appurtenant structures, increasing useful life of the asset, and minimizing dam safety risk.	Larysa Voronova	Design	1/2023-12/2025	\$14.8M	\$2.2M	→	→	100% design has been approved by the State Office of Engineer allowing construction activities to begin. Contractor has been performing maintenance activities that did not require SEO approval such as pipeline replacement, abutment cleaning, cathodic protection system removal, installing access road for the coating contractor, etc. Public Affairs has been keeping public informed about the watershed closure due to construction. Coating contractor is ~30% complete with blasting and re-coating of dam face.
	Ruxton 24 and 30" Raw Water Main Replacement/Rehabilitation" (394790) In support of the City of Manitou Springs Ruxton Avenue Infrastructure Improvement Project, Colorado Springs Utilities is currently evaluating relocation of one 24-inch and one 30-inch raw water line extending within the current Ruxton Avenue extents. Design work is being coordinated through JR Engineering in collaboration with the City of Manitou Springs overall project design, with overall project scope recommendations being collaborated with Utilities' operations division. Water main relocation and/or rehabilitation work is currently scheduled to occur between 2024 and 2027.	Rockie Wiley	Design	1/2023 - 12/2027	\$7.0M	\$0.0M	→	→	The design team is currently getting potholes to move the design to 30%. The city of Manitou is also driving the schedule for design and construction due to constraints in this area, balanced with tourism. We will have the design and be ready for construction Q4-2025. A new Inter-governmental agreement is being developed between City of Manitou and City of Colorado Springs for this project.
	Homestake Operator Housing Replacement (394738) Demolition and new construction of the 2nd caretaker house, to be performed in 2024. The Homestake Operator Housing is old and in declining condition. Both houses were constructed in the early 1960's using aluminum electrical wiring and asbestos ceiling texture. Due to limited space, both existing houses have/had to be demolished prior to their replacement at the same location.	David Mason	Construction	5/24/23 Start- 8/31/24 Substantial Completion	\$1.5M	\$0.8M	→	→	House 1 substantial completion was February 22, 2024 . House 2 is currently in interior/exterior finishes stage. 2024 cost is forecasted to be \$175k under AOF.
	Homestake Suction Line Debris Screen (394740) Construct a log boom in Twin Lakes Reservoir to capture debris before it reaches the pipeline and Otero Pump Station. The Homestake suction pipeline draws water from Twin Lakes. All debris, that makes its way into the pipeline, ends up in the pumps at the Otero Pump Station. Once the pump efficiency is reduced, the pump must be shut off, pulled, and cleaned. This can affect multiple pumps multiple times during the year. Any debris that makes it through the pumps will end up in the valves at the Spinney Mountain Tap which requires further cleaning and pumping rate reduction.	David Mason	Design / Construction	1/1/2024 start- 9/29/24 Complete	\$0.5M	\$0.5M	→	→	It was determined that a log boom is not viable. Project put on hold and there is no spend projected for this year. There is an option to screen the pipe at a bifurcation point in the United States Bureau of Reclamation (USBR) Twin Lakes Outlet Structure. Discussion with the USBR is that they are not thrilled with adding this, and extensive modeling and studying would need to be done for them to even consider this approach. We are not going to pursue this study at this time.
	Ute Pass WTP Improvements Program (394691) Provide for long term improvements for the Ute Pass WTP. Phase 1 initiates the design of sodium hypochlorite disinfection and soda ash chemical feed system. The Studies and Alternatives Analysis was completed in 2022.	Jeff Courtright	Construction	10/2022-6/2025	\$1.7M	\$0.3M	→	→	Design is complete. Procurement of Construction contractor has started, plan to order equipment this year with the majority of construction to occur in 2025.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AAFP	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
Wastewater Service	Sanitary Sewer Creek Crossing Collection System Rehab/Replace Program (495253) Evaluate, protect, and rehabilitate sanitary sewer pipelines that cross creeks and drainages in Colorado Springs Utilities' service area, while at the same time providing stream stability and reduced erosion and sedimentation. Funds are budgeted according to a 2016 IGA commitment and related Executive Agreement and reported annually to the City of Colorado Springs. In 2024, two large-scale projects are planned to continue and/or commence to meet Utilities \$3.3M 2024 Stormwater IGA commitment.	Mike Lovato	On-Going Program (Design & Construction)	2008 to 2036	\$69M (2016-2035)	\$3.3M	→	→	The SSCC Program is on track to meet Utilities \$3.3M 2024 Stormwater IGA spending commitment. Construction of the large Monument Creek at Monument Street channel improvement project commenced in October 2023 and will be completed in 2024. Sand Creek Upstream of Constitution will commence mid September 2024 and will likely be completed by the end of 2024.
	Northern Monument Creek Interceptor (495356) Install approximately 8.5 miles of 30" pipe and appurtenances from the southern edge of the US Air Force Academy to the Upper Monument Creek WWTF just outside of the northern edge of the Academy. This project will enable Colorado Springs Utilities to eliminate at least one lift station in the near term and allow the flexibility to eliminate more in the future. It will accept wastewater flows from two sanitation districts north of Colorado Springs.	Andy Muser	Design	2023 - 2027	\$37.2M	\$1.5M	→	→	Design contract awarded 1/23; 30% scheduled for Sep 2024. The design will pause at 30% for senior management to assess whether the project moves forward. The NEPA public process is complete; USAFA is staffing documents for final signature by USAFA Wing Commander. The Design Cost Sharing Agreement was finalized in October 2022 with two northern sanitation districts (Forest Lakes and Triview). The other four sanitation districts have officially decided not to participate in the project.
	Local Collectors Evaluation and Rehabilitation Program (LCERP) (495121) Determine the condition of every sanitary sewer pipeline less than 10" in diameter and place them on a rank based priority schedule to be re-inspected or rehabilitated. The Local Collectors Evaluation and Rehabilitation Program (LCERP) is multi-year program entering the 20th year of implementation. LCERP has rehabilitated over 3100 individual line segments totaling approximately 167 total miles. 2024 LCERP will rehabilitate approximately 30,000 feet pipe. LCERP is considered a condition of the 1041 Permit by Pueblo County for the Southern Delivery System. line less than 10" in diameter and place them on a rank based priority schedule to be re-inspected or rehabilitated. LCERP has rehabilitated over 3100 individual line segments totaling approximately 167 total miles. 2024 LCERP will rehabilitate approximately 30,000 feet of pipe. LCERP is considered a condition of the 1041 Permit by Pueblo County for the Southern Delivery System.	Rockie Wiley	On-Going Program (Design & Construction)	2004-Ongoing	Ongoing Annually	\$3.9M	→	→	LCERP Program is on track to deliver the 2024 planned work within the current AFE.
	LVSRRF Aeration System Modifications (495307) Multi-year effort to upgrade the Aeration System which supports wastewater treatment in the five basins at the Las Vegas Street Water Recovery Facility. Critical components of the existing aeration system have reached the end of their useful life, reducing system performance. This project includes completion of design, then two years of construction and rehabilitation of the aeration air delivery system and will allow Colorado Springs Utilities to meet current and future flow and load conditions and comply with upcoming discharge regulations.	Andy Muser	Construction	2022-2026	\$14.3M	\$3.3M	→	→	Design is complete. Construction contract was awarded July 2024; work is scheduled to start on the first of five basins by October after contractor mobilization and submittal approvals.
	Clear Springs Ranch WRRF Electrical Upgrades Project (495343) This project would allow us to complete a holistic improvement on the electrical feed, switchgear, power distribution and electrical and instrumentation systems on the digestion facility. A majority of the equipment, wiring and conduit to be replaced have been in service since 1985 and are past the end of their useful life. Construction activities were kicked off in Q3 of 2023 and are anticipated to last through early 2025.	Andy Muser	Construction	2022-2024	\$11.6M	\$5.4M	→	→	Site work underway; control panel factory acceptance testing complete and delivered in Feb 2024. Programming workshops for new plant control system continue. Start-up and commissioning of first of six commissioning blocks scheduled for October 2024.
	LVSRRF Replace Gates at Primary Clarifier (495412) Replacement of the Las Vegas Street Water Recovery Facility isolation gates feeding the primary clarifiers. Some of the current gates have corroded entirely through and some of the gates need replacement of their seals. Some of the gate failures are catastrophic and one clarifier cannot currently be taken off-line for routine maintenance. The gates need to be replaced to allow for operational flexibility.	Jeff Courtright	Construction	Q4/2022- Q2/2024	\$2.9M	\$0.9M	→	→	Installation of outlet gates will occur in 2026.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AAFP	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	
	Public Improvement Projects - Wastewater (480015) Colorado Springs Utilities' share of water relocations, betterments and improvements as a result of Pikes Peak Rural Transportation Authority (PPRTA), City Capital Improvements Projects, El Paso County and Colorado Department of Transportation (CDOT) public improvement projects. 2024 public improvement water projects currently include Circle Dr. Bridges, Fontanero and I-25 Bridges, Academy Blvd. Reconstruction, Galley and West Fork of Sand Creek, Black Forest Rd Reconstruction, Nevada Ave Storm Sewer Outfall, Marksheffel Widening, and Voyager over SH-21.	AJ Wertz	On-Going Program (Design & Construction)	Ongoing	Ongoing Annually; Ranging from \$800K-\$1.5K	\$0.8M	→	→	Program is on track to support partner program projects where utility relocations are required and/or that cooperatively benefit Colorado Springs Utilities infrastructure needs and to spend the approved AFE by the end of 2024.
	JDPWRRF Diversion Structure (495365) Improve the current diversion structure so that the existing gates, which are inoperable due to corrosion, can be operated and wastewater flows controlled and managed. This project is necessary to efficiently divert and manage flows to and from JDPWRR and the Las Vegas Wastewater Treatment plant and needs to be completed before the Northern Monument Creek Interceptor is fully operational. Construction and project completion are scheduled in 2024.	Andy Muser	Construction	10/2021-5/2024	\$2.6M	\$2.2M	→	→	Site work underway; manholes for new flow meters complete. Bypass operations underway to enable rehabilitation of structure through late August.
	LVSWRRF Influent Junction Box Replacement (495363) Provide for the rehabilitation and/or replacement of various components of the Las Vegas Street Water Recovery Facility influent infrastructure, to include pipes, manholes, gates, junction boxes, a new diversion structure, and odor control.	Andy Muser	Design	8/2022-12/2027	\$16.6M	\$1.2M	→	→	Design contract awarded and underway; 30% design complete and 60% due in August.
	LVSWRRF Sludge Pump Replacement (495309) Replacement of the Las Vegas Street Water Recovery Facility blended sludge pumps that are used to pump the solids from the Las Vegas Street Water Resource Recovery Facility to the Clear Spring Ranch Resource Recovery Facility. The pumps are approaching end of life and will be replaced with newer models that are sized to provide service during their anticipated 20-year design life.	Michael Chappell	Design	6/2022-10/2026	\$3.9M	\$800,000	→	→	30% design is complete. 60% design currently in progress. RFP for CMGC expected in Q3 2024. Ordering of long lead items (large pumps - 52 week lead time) expected in Q3 2024.

	Advanced Metering Infrastructure (AMI : 193691, 293167, 796649, 394669) The Advanced Metering Infrastructure project involves upgrading our fleet of meters, across our entire customer base, with new electric meters and installing new hardware on our natural gas and water meters. This project updates technology and enables two-way communication.	Gina Smith	Design & Construction	7/1/2019 to 7/31/2025	\$81.6M	\$14.5M	→	→	Installation for all commodities (electric, gas, and water) are in the execution phase. Utilities has completed 60 day field validation for new water module. On-going discussions with regards to restarting water Q2 2024. Vendor's subcontractor is installing electric and gas only at ~1100/day with an exception 100% completion 12/31/24 with the exception of water. Water is targeted to complete Q3 2025. To date, 61% of the system has been upgraded to AMI: electric = 175,997 gas = 154,379 water = 58,878 and 92% of Network has been installed.
	Financial System Upgrade (Infor V11-3Q22)* (596678) Upgrade Lawson to Infor latest version in cloud. This will migrate all finance, HR and some supply chain existing and new functionality to Infor. Phase 1: Upgrade existing HR & finance functionality from Lawson to Infor Cloud, planned go-live in July 2024. Phase 2: Implement new HR and finance modules in Infor Cloud, planned go-live in Q2/Q3 2025. Phase 3: Implement supply chain and finance -related modules, in coordination with the Enterprise Asset Management System (Maximo) upgrade project, schedule TBD.	Lindsay Martin	Construction	Q3/2022 - Q2/2024	\$8.6M	\$1.3M	↑	→	Phase 1 Project Go-Live was successful on July 15, 2024. Post go-live support and activities will occur during Q3 2024.
	Computerized Maintenance Management System (CMMS) Upgrade (596710) Update work management system. This program will have two components 1) technology upgrade to Maximo version 7.6; and 2) full work management upgrade to meeting Colorado Springs Utilities' current and future needs.	Jeff Trujillo	Initiation	Q1/2024 - Q4/2027	\$15.50	\$5.25	→	→	2024 budget revised to \$168,000 capital in March of 2024. 5 year budget forecast updated in PPTS to reflect current project budget and schedule.

Service	Project/Program (Activity #)	Project Manager	Current Phase	Project Schedule (Start/Stop Dates)	Total Project Budget	2024 AOFB	Schedule Performance	Budget Performance	Comments
							Trending in past Quarter	Trending in past Quarter	

Legend for Chart:

- Within plan 
- Raised awareness 
- Outside plan 
- Cost / Schedule is trending to plan 
- Improving performance trend since past quarter 
- Declining performance trend since past quarter 



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Supply Chain Update

August 20, 2024

Global Factors Impacting the Supply Chain

U.S.-China Relations

South China Sea Disputes

Russia-Ukraine Conflict

Taiwan Strait Tensions

Middle East Tensions

North Korea's Nuclear Program

Cybersecurity Rivalries

Climate Change Diplomacy

Current Lead Times & Pricing on Core Materials

Lead Times

Group	Lead Time Jan/2022	Lead Time July 2023	Lead Time Jan 2024	Lead Time May 2024	Lead Time Aug 2024
Cables	12-16 weeks	12-16 weeks	12-16 weeks	12-16 weeks	12-16 weeks
Chemicals	1-2 weeks	1-2 weeks	1-2 weeks	1-2 weeks	1-2 weeks
Control Fittings	3-5 weeks	3-5 weeks	3-5 weeks	6-8 weeks	6-8 weeks
Gas Fittings	12 weeks	4 weeks	2 weeks	4 weeks	11-12 weeks
Gas Steel Pipe	14-16 weeks	6-8 weeks	8 weeks	43-46 weeks	43-46 weeks
Gas Valves	52 weeks	28 weeks	3-4 weeks	12-weeks	12-weeks
MRO Locating Markings & Paints	4-6 weeks	2 weeks	1 week	2-weeks	1-2-weeks
Overhead Transformers	30 weeks	30 weeks	30 weeks	30-weeks	30-weeks
Pad Mount Phase 1 Transformers	52-60	58-60	58-56 weeks	58-60-weeks	58-60 weeks
Pad Mount Phase 3 Transformers	38-40	82 weeks	87 weeks	120-weeks	120-122 weeks
PPE	6 weeks	1-2 weeks	1-2 weeks	3-weeks	2-3 weeks
PVC/Fittings	4-6 weeks	2-3 weeks	2 weeks	3-weeks	3-weeks
PVC/Gas	2-3 weeks	2-3 weeks	3-4 weeks	3-weeks	9-10 weeks
Steel Fittings	8 weeks	8 weeks	8-10 weeks	6-weeks	8 - weeks
Submersibles	126 weeks	126 weeks	126 weeks	126-weeks	126-weeks
Switches	25 weeks	25 weeks	50 weeks	52-weeks	52-weeks
Underground Transformers	47 weeks	101 weeks	101 weeks	101-weeks	101-weeks
Vaults/Lids	1-2 weeks	2-3 weeks	2-3 weeks	4 - weeks	2-3 weeks
Wood Poles	8-10 weeks	10-12 weeks	12-14 weeks	16-18 weeks	18-19 weeks
Electrical Relay Panels			10-11 Months	13 Months	13 Months
Electrical Control Enclosures			13 Months	15 Months	15 Months
Electric Switchgear			18 Months	12-18 Months	12-18 Months
Electric Circuit Breakers			24-33 Months	24-33 Months	24-33 Months
Electric Substation Transformers			42 Months	42 Months	42 Months

Pricing - Based on a review of our core materials

Summary of the Strategic Items purchased in the selected months of 2024 and their savings from 2023			
\$17,261,114 <small>Total Spend</small>	1193 <small>Items</small>	\$300,616 <small>Total Savings</small>	1.7% <small>Total Savings %</small>
Strategic Items purchased in the selected months of 2024 that were also purchased in 2023 and their savings from 2022			
\$80,988,040 <small>Total Spend</small>	1100 <small>Items</small>	(\$3,782,079) <small>Total Savings</small>	-4.9% <small>Total Savings %</small>

What is Happening with the Labor Market?

The U.S. labor market continues to exhibit resilience and strength, despite various challenges. Here are some key observations:

1. The U.S. economy added 206,000 jobs in June, which is a positive sign.
2. The unemployment rate ticked up from 3.9% May to 4.1% as of June 2024.
3. The number of Americans applying for unemployment benefits recently increased to its highest level in more than eight months. This suggests that the labor market may be softening.
4. Initial claims for state unemployment benefits rose more than expected, indicating a gradual easing of the labor market.
5. The current U.S. inflation rate stands at 3.0% as of June vs. 3.5% in May. In June 2022 peak inflation was at 9.06%.

Labor Market - What Actions Are We Taking

As we conduct formal events (RFPs), we have taken steps to ask the Bidders where their labor is coming from.

Will they be pulling from local Colorado labor forces?

Will they be utilizing internal crews?

Will they be leveraging sub-contractors from outside of Colorado?

In addition, as it relates to the overall scoring of the RFP responses, we are placing a heavier weighted percentage on the labor selection criteria.



Sourcing Process- What Actions Are We Taking to Ensure Alignment

As we conduct formal events (RFPs), we have taken steps to ensure that the Executive Leadership Team; along with the various project teams at Colorado Springs Utilities are aligned on the strategic path forward. This will be accomplished via 3 major checkpoints:

- Checkpoint 1 – Define Project Sourcing Strategy (Leveraging Construction Delivery Guidance Matrix)
- Checkpoint 2 – Align on the selected supplier(s)
- Checkpoint 3 – Align on any deviations from our standard contract terms

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Checkpoint #1 - Project Sourcing Strategy
Completed by Procurement

Document Date: _____

Project Name: _____

Procurement Request (PRC #) _____

Executive Leadership Team Sponsor: _____

Sourcing Lead: _____

Sourcing Supervisor: _____

Project Manager: _____

Project Team Members:

Name	Position	Evaluator or Observer	Role Description

Project Scope and Dependencies / Predecessors

Questions



What Actions Have We Taken

