



**Minutes
Program Management Review (PMR) Committee
Colorado Springs Utilities Board
Rosemont Conference Room/Microsoft Teams
Wednesday, Feb. 9, 2023**

Committee members present via web conference or in the Rosemont Conference Room:
Committee Chair Tom Strand, Randy Helms, Dave Donelson, Nancy Henjum and Bill Murray

Staff members present via web conference or in the Rosemont Conference Room:
Monica Indrebo, Bethany Schoemer, Laraysa Voronova, Dave Padgett, Jessica Davis, Joseph Rasmussen, Natalie Watts, Lisa Barbato, Sarah LaBarre, Christian Nelson, Crystal Cooley, Joe Bogar, Pattie Benger, Larry Dunn, Steve Duling, Kevin Binkley, Mark Peters, Charlie Cassidy, Rich Norton, Al Wells, Gina Smith, JerrieAnn LaLond, Joe Awad, Shelby Singer, Tristan Gearhart, Mike Francolino, Shawn Timothy, Jane Zook, Travas Deal and Brian Wortinger

City of Colorado Springs staff members present via web conference or in the Rosemont Conference Room: Jennifer Carpenter, David Beckett, Vicky Classen and Rhea Hendrixson

Citizens present: None

1. Call to Order and Review Minutes

The meeting convened at 1:00 p.m. and Chair Tom Strand 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.

The minutes from the Nov. 9, 2022, Program Management Review Committee meeting were reviewed for posting and approved.

2. Review of Programs/Projects on the 2022 Balanced Scorecard

a. Sustainable Energy Portfolio

Ms. Sarah LaBarre, Electric and Gas Design Manager, reviewed the Sustainable Energy Portfolio (SEP) data from fourth quarter 2022, beginning with the project map that has not had any recent changes. She explained that there are multiple projects in the portfolio including three North System projects, two Central System projects and three South System projects. The Battery Energy Storage System (BESS) solicitation has been issued and proposals are currently being evaluated. She stated that more information on BESS will be available at the Strategic Planning Committee in April. She provided an update on the Natural Gas Generation relocation project and explained that prior to the relocation of the generators, the Kelker to South Plant transmission line needs to be installed.

The budget overview detailed the end of year for 2022. The budget was slightly over due to individual shifts in some projects which caused some deltas. Overall, the

budget came in very close to the total portfolio budget. Specific budget differences for some items were discussed in detail by the committee.

Labor and material costs continued increasing in the fourth quarter, as well as lead times. She explained that there were labor constraints on some projects because of fluctuation in maintaining laborers.

Ms. LaBarre stated that there were zero safety incidents in Q4 of 2022 for the natural gas generators. The Electric Infrastructure Projects had 10 incidents in the last quarter that involved minor injuries, property damage and near misses.

b. Gas Distribution Integrity Management Program (DIMP) and Compliance Projects Implementation

Mr. Mark Peters, DIMP Program Manager, gave an overview of the DIMP requirements and the gas distribution system.

For schedule and budget, several projects met their result goals. For 2023, the annual quantities have not been finalized, and targets for the first quarter will be finalized soon and available at the next meeting.

Areas of concern included some contractor invoicing issues due to delay and errors on invoices. Committee Member Murray suggested including invoicing issues as penalties in future contracts. There were zero safety incidents in the fourth quarter.

c. Utilities Infrastructure Coordination with the City

Mr. Kevin Binkley, Project Management Supervisor, discussed project overviews, for the Finished Water Linear Asset Program tied to City Paving, Sanitary Sewer Creek Crossing Program, Public Improvements Projects for water and wastewater and the Utilities Reliability Program.

He reviewed the budget and schedule from 2022. He explained that the Sanitary Sewer Creek Crossing budget was reduced due to permitting issues and delays. Public Improvement Projects were able to pay for some upcoming projects starting in 2023. The Finished Water Linear Asset Program completed more projects for less spend due to the ability to buy material in advance.

He shared that they continue to see supply chain issues, permitting issues, resource limitations, public perception, weather, unscheduled emergency projects and coordination issues with other utility providers. Safety for Q4 of 2022 had zero incidents in the Sanitary Sewer Creek Crossing project. There were three incidents in the Finished Water Linear Asset Program regarding hits on some utility and communication lines, but no injuries. There were two incidents on the Utilities Reliability Program project that involved a hit water line and a near miss on an electric switching incident with a contractor.

He shared that next steps include on-going quarterly leadership meetings with the City and Springs Utilities, bi-monthly meetings with the City and Springs Utilities

staff, continued management of all projects through the Project Viewer software and project specific coordination meetings with stakeholders.

d. Fiber Network Expansion Program

Mr. Brian Wortinger, Fiber Optics and Telecommunications Manager, reviewed the project and schedule on the Hut Structure Build. There are four huts in progress and two others planned for the second quarter. The remaining six huts are under contract and the network section build schedule is going well.

The 2C Project continues to go well and there is continued coordination. Committee member Henjum voiced concerns on the appearance of the cabinets for citizens. Springs Utilities' staff indicated they will work with the City to address those issues.

There was one safety incident where a duct bank was hit. The subcontractor was retrained and there were no injuries. Next steps include placement of remaining huts, continuing to increase network production, begin backbone construction, deliver first addresses to tenants, and begin construction in second fiber hut region.

3. Crystal Creek Dam Rehabilitation Update and Lessons Learned

Ms. Larysa Voronova, Project Manager, explained that the purpose of this projects was to prolong the life of the steel-faced dam. The dam was constructed in 1935 with minor upgrades since. The reservoir was drained in 2019 but then the project was placed on hold due to the pandemic. The project has since been completed and currently the reservoir is 24 feet full and will be filling through the winter and into the summer months of 2023. Originally, \$6.7 million was budgeted for this project, but due to the complexity of it, that increased the final budget to \$10.2 million. There was one recorded safety incident where the rigging failed for a worker and the contractor and our workers were retrained after the incident.

Next up is the South Catamount Dam Rehabilitation and Pipeline Construction Project. This dam was constructed in 1936, but is larger and a little more complex, however there are similar scopes and challenges. The drain plan will be addressed with stakeholders as the water is planned to go into Crystal Reservoir and be diverted as well. This is the second of two steel faced dams in our system.

4. 2022 and 2023 Program/Project Dashboard Review

Mr. Steve Duling, Project Management Manager, addressed projects by exception on the 2022 and 2023 Program/Project Dashboard Review. He shared updates on projects that are trending down and explained where they are.

5. Contracts over \$500,000

Mr. Rich Norton Jr., Supply Chain General Manager, reviewed contracts over \$500,000 and explained that new orders for manufacturing have decreased, so backlogs are also decreasing. Additionally, the employment index expanded, turnover rates remained stable, and companies are doing better at retaining employees.

6. Technology Roadmap Update

Mr. Larry Dunn, Information Technology General Manager, discussed the Technology Roadmap that encompasses updates on all technology infrastructure in the enterprise. He stated that there are three parts in the Technology Roadmap, which involve foundational work, strengthening and stabilizing the technology, and advancement of the projects. Overall, the goal is to automate and improve as much as possible to improve internal customer service.

7. Closing Remarks and Adjournment

Committee Chair Strand and Committee Member Murray expressed their appreciation to staff for all the work and contributions as this was their last PMR Committee meeting.

There were no further closing remarks. The meeting adjourned at 3:40 p.m. The next meeting is May 11, 2023.