



Minutes
Utilities Policy Advisory Committee (UPAC)
Wednesday, November 2, 2022
Blue River Boardroom, 5th floor, 121 S. Tejon St., Colorado Springs, CO
and Microsoft Teams Virtual Meeting

Committee members present in the boardroom or via Microsoft Teams: Chair Gary Burghart, Vice Chair Larry Barrett, Michael Borden, Katherine Danner, Scott Callihan and Ruth Ann Schonbachler

Committee members excused: Chris Francis and Hilary Dussing

Staff members present in the Boardroom or via Microsoft Teams: Al Wells, Andie Buhl, Monica Indrebo, Natalie Watts, Christian Nelson, Kerry Baugh, Justin Fecteau, Pattie Benger, Lisa Barbato, Abby Ortega, Tristan Gearhart, Sydni Sich, Tim Benedict, Renee Adams, Kyle Wilson, Natalie Eckhart, John Hunter, Danielle Nieves, Joe Awad, Scott Shirola, Leslie McKiernan, Tara McGowan, Susan Lovejoy

City of Colorado Springs staff present in the boardroom or via Microsoft Teams: David Beckett, Peter Wysocki and Chris Bidlack

Citizens Present: Marla Novak

1. Call to Order

Chair Gary Burghart called the meeting to order at 8:00 a.m.

2. Approval of Oct. 5, 2022, UPAC Meeting Minutes

Vice Chair Larry Barrett motioned, and Committee Member Katherine Danner seconded the motion to approve the Oct. 5, 2022, meeting minutes. The minutes were unanimously approved with a voice vote.

3. Cost Recovery Assignment Draft Scope

a. Guest Speaker

Mr. Peter Wysocki, Planning and Community Development Director for the City of Colorado Springs, addressed the city's current and projected growth. The tools the City uses to manage growth include the comprehensive plan, PlanCOS, which supports several types of land use and development, and RetoolCOS, where zoning and subdivision codes were rewritten. RetoolCOS enables flexible residential districts on units per acre, not lot size, multi-family residential permitted in commercial districts, adaptive reuse of functionally obsolete buildings, and is adaptable over time. Both tools for the City recognize densification is inevitable.

In 2021, the residential trend began to change where multi-family developments occurred more often than single-family developments. The City is achieving its density goals, however affordable housing remains an issue. More residential units per acre may result in lower housing costs, efficient use of land and delivery of City services. The change in density also effects roadway lane miles and the goal is to decrease new lane miles. Several current developments are reaching buildout capacity, vacant infill acres are dropping, and more development is occurring outside of City limits.

Developers are reporting the cost of redeveloping older parts of the City is more expensive, so a regional approach is needed for this redevelopment. Infrastructure downtown is dated, so the issue then becomes if infrastructure should come first or be delayed once there is a better idea of what can be built. Additionally, the downtown area has seen an increase in residential development, and with the increase of residential growth the growth of commercial services will need to increase as well. This is a common issue for many downtown areas, not just in Colorado Springs.

Ms. Tara McGowan, Manager of Water and Wastewater Design, provided information on the Utilities Reliability Program (URP) that began a few years ago. This program is a collaborative project with the City to address the aging infrastructure downtown. Springs Utilities has recognized the need to update these areas and several projects have taken place proactively in notable areas of interest. Ms. McGowan reports that Utilities works with HBA and Planning Development and will promulgate new utility service standards. However, in tighter lots there are cost impacts.

b. Four Service Resource and Infrastructure Planning Considerations

Ms. Abby Ortega, General Manager of Water Resources and Demand Management, introduced four service resource and infrastructure planning considerations. Some considerations for cost recovery include whether costs should align across the four services; appropriate ways to balance costs between existing and future customers for future investment, the perspective on cost recovery for resources and infrastructure investments, and what role incentives should have in supporting resource and infrastructure planning objectives.

Four service planning objectives include proactively identifying resources and infrastructure investment needs, allocating resources to the highest priority needs, managing organizational risk, leveraging opportunities that benefit Springs Utilities and the community, and creating a line of sight between level of service and cost of service.

Springs Utilities tries to proactively obtain resource demand for incremental supply prior to growth scenario. The growth scenario is a higher estimate than in-City growth. Planning risks include regulatory factors such as the Clean Heat Plan and Clean Energy Plan, climate related risks from drought and Colorado River supply, and resource supply and infrastructure. Ms. Ortega reviewed specific needs for each utility service.

Ms. Ortega briefly reviewed the enterprise budget process that includes maintenance investment, service increase investment, growth investment, future growth, and the target. Next month UPAC will review current cost recovery mechanisms and further meetings will dive deeper into these issues.

4. Citizen Comment

None

5. Committee Member General Discussion

Ms. Kerry Baugh reported that committee member Ruth Ann Schonbachler has become a regular committee member is no longer an alternate. Additionally, several applications have come in to fill the vacant alternate role and interviews will take place in late November.

6. Adjournment

Chair Burghart adjourned the meeting at 9:56 a.m.

Next meeting: Wednesday, Dec. 7, 2022, at 8:00 a.m.