

MINUTES
Colorado Springs Utilities Board Meeting
Wednesday, November 15, 2023

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

Chair Dave Donelson, Vice Chair Yolanda Avila, Randy Helms, Nancy Henjum, Lynette Crow-Iverson, Brian Risley, Michelle Talarico and David Leinweber

Utilities Board Members Excused: Mike O'Malley

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

Chris Robinson, Travas Deal, Renee Adams, Somer Mese, Mike Francolino, Tristan Gearhart, Lisa Barbato, Bethany Schoemer, Jessica Davis and Nicole Means

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

Renee Congdon, Alex Ryden and Jamie Fabos

Citizens present via Microsoft Teams or Blue River Conference Room:

1. Call to Order

Chair Donelson called the Utilities Board meeting to order at 1:03 p.m. and Ms. Nicole Means, Utilities Board Administrator, called the roll.

2. Invocation and Pledge of Allegiance

Mr. Chris Robinson, Customer Service Supervisor, delivered the invocation, and Chair Donelson led the Pledge of Allegiance.

3. Consent Calendar

Approval of Utilities Board Meeting Minutes: Oct. 18, 2023

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

4. Customer Comments

There were no customer comments.

5. Compliance Reports

- I-2 Financial Condition and Activities
- I-1 Pricing of Services

- E-2 CEO Responsibilities
 - Water Outlook
 - ECA/GCA monitoring

Chair Donelson explained that compliance reports are on the agenda by exception and asked if there were any questions. There were no requests to review any compliance reports.

6. Items Called Off Consent Calendar

There were none.

7. 2024 Board Expected Results Scorecard (ER: 1-3)—Enterprise Scorecard

Mr. Al Wells, Analyst Senior, reviewed the changes to the proposed 2024 Enterprise Scorecard. Mr. Wells explained the purpose of the Balance Scorecard is to measure the organization's performance in achieving enterprise strategic objectives. The targets are made to be achievable yet challenging. The Colorado Springs Utilities leadership team approved the draft scorecard in October, and the Strategic Planning Committee reviewed the scorecard in their November meeting.

Mr. Tristan Gearhart, Chief Planning and Finance Officer, addressed a question from Board Member Henjum regarding the Industrial Electric-Intensive Customer Bill Front Range Comparison measure.

The Utilities Board contemplated changing performance measure seven under "far exceeds expectation" from greater than 15% lower than the average to greater than 10% lower than the average. Board Member Brian Risley made a motion to modify the metrics for line item seven, Industrial Electric Intensive Customer Bill Front Range Comparison, to be the same as line item 8, Industrial Electric Nationwide Comparison, so the criteria adjust downward.

Board Member Risley made a motion to approve the 2024 Board Expected Results Scorecard with the changes specified by the Utilities Board, and Board Member Leinweber seconded the motion. The Utilities Board unanimously approved the Board Expected Results Enterprise Scorecard with the proposed change to Industrial Electric Intensive Customer Bill Front Range Comparison.

8. 2024 CEO Performance Plan

Ms. Renee Adams, Chief Human Resources Officer, reviewed the current CEO Performance Plan and a proposal for the 2024 CEO Performance Plan.

The current CEO Performance Plan is composed of three elements: the Balanced Scorecard (40%), Strategic Objectives (10%) and the CEO Leadership Competencies (50%). Ms. Adams went into more detail regarding the specific strategic objectives and leadership competencies for Springs Utilities.

Ms. Adams recommended going back to a previous version of the CEO Performance Plan which weighs the Balanced Scorecard at 50% and CEO Leadership Competencies at 50%. Ms. Adams explained the reason for the change is to reduce redundancy as the Balanced Scorecard already lists and measures the strategic objectives.

Board Member Yolanda Avila made a motion to approve the CEO Performance Plan, and Board Member Helms seconded the motion. The Utilities Board unanimously approved the 2024 CEO Performance Plan.

9. P-5.4 2023 Committee Accomplishments

The committee accomplishments were reviewed by the respective committee chairs. Ms. Bethany Schoemer, Strategic Planning and Governance Specialist, summarized the 2023 Finance Committee accomplishments.

Ms. Means played audio of Personnel Committee Chair Avila reviewing the Personnel Committee accomplishments.

Program Management Review Committee Chair Talarico discussed the committee accomplishments and tours.

Strategic Planning Committee Chair Risley reviewed the 2023 committee accomplishments and highlighted the work that was done for the Clean Heat Plan, the Water Integrated Resource Plan and the Water Service Extension Ordinance and Annexations.

10. P-5.4 2024 Committee Work Plans

Chair Donelson explained that the committee work plans have already been reviewed by each committee and need approval from the Utilities Board. Board Member Risley discussed specific items in the Strategic Planning Committee Work Plan for 2024 including resource planning for all four services, the UPAC Cost Recovery Mechanisms assignment and annexations to City code to align with best practices.

Board Member Henjum proposed having a joint Strategic Planning Committee and Finance Committee due to overlaps in the committee work plans. Ms. Schoemer discussed the joint Utilities Board and Utilities Policy Advisory Committee meeting scheduled in January.

Board Member Helms made a motion to approve the 2024 committee work plans, and Vice Chair Avila seconded the motion. The Utilities Board unanimously approved the 2024 Committee Work Plans.

11. A Resolution Authorizing the Acquisition of a Real Property for a Watershed Caretaker Residence Located at 38 Bluestem Way, Fairplay, Colorado

Ms. Jessica Davis, Land Resource Manager, explained the property acquisition. The acquisition allows Springs Utilities to expand the applicant pool for the Blue River Watershed caretaker position by providing housing for the individual and their family. The caretakers of the Montgomery Reservoir and the Blue River/Montgomery Pipeline must be available 24/7 and live within close proximity to the watershed. Ms. Davis explained the residence is in an HOA with a yearly fee of \$75.

Board Member Helms made a motion to authorize acquisition of the caretaker residence, and Board Member Leinweber seconded the motion. The Utilities Board approved the acquisition of a real property for a watershed caretaker residence located at 38 Bluestem Way to go to City Council on Nov. 28 on consent.

12. A Resolution Authorizing Acquisition of Property Near the Bradley Substation

Ms. Davis described the property acquisition near the Bradley Substation. Springs Utilities is using a right of first refusal to purchase the property. Springs Utilities will not be purchasing the community solar garden that operates on the property but will lease the land to a third party that operates the solar garden.

Board Member Talarico made a motion to authorize the acquisition of the property near the Bradley Substation, and Board Member Risley seconded the motion. The Utilities Board approved the acquisition of property near the Bradley Substation to go to City Council on Dec. 12 on consent.

13. Board Member Updates

Board Member Helms gave a brief update regarding the fiber installation in northern Colorado Springs.

Board Member Henjum discussed the tour to Sand Creek Lift Station.

Vice Chair Avila shared about the 2024 Employee Climate Survey and the need to get field employees involved in the survey.

Board Member Risley discussed annexation changes to City code and asked to bring the changes to the board in January 2024.

Board Member Talarico expressed gratitude for Ms. Somer Mese, Chief Operations Officer, for attending a meeting with her and hearing her constituent's concerns.

14. Summary of Board Actions

The Utilities Board unanimously approved the Board Expected Results Enterprise Scorecard with the proposed change to Industrial Electric Intensive Customer Bill Front Range Comparison.

The Utilities Board unanimously approved the 2024 CEO Performance Plan.

The Utilities Board unanimously approved the 2024 Committee Work Plans.

The Utilities Board approved the acquisition of a real property for a watershed caretaker residence located at 38 Bluestem Way to go to City Council on Nov. 28 on consent.

The Utilities Board approved the acquisition of property near the Bradley Substation to go to City Council on Dec. 12 on consent.

15. Adjournment

The meeting adjourned at 2:20 p.m.