

**MINUTES**  
**Colorado Springs Utilities Board Meeting**  
**Wednesday, May 18, 2022**

**Utilities Board members present via Microsoft Teams or Blue River Conference Room:** Chair Wayne Williams, Dave Donelson, Randy Helms, Bill Murray, Stephannie Fortune, Yolanda Avila, Nancy Henjum and Tom Strand

**Utilities Board members excused:** Vice Chair Mike O'Malley

**Staff members present via Microsoft Teams or Blue River Conference Room:** Aram Benyamin, Travas Deal, Bethany Schoemer, Natalie Watts, Al Wells, Chrisitan Nelson, Mike Francolino, Brian Wortinger, David Longrie, Matt Dudden, Tristan Gearhart and Lisa Barbato

**City of Colorado Springs staff members present via Microsoft Teams or Blue River Conference Room:** Bethany Burgess, Ryan Trujillo and Jacqueline Rowland

**Citizens present via Microsoft Teams or Blue River Conference Room:** Deborah Stout-Meiningner and Sam Masias

**1. Call to Order**

Chair Wayne Williams called the Utilities Board meeting to order at 1:02 p.m. and Ms. Bethany Schoemer, Public Affairs Specialist, called the roll.

**2. Invocation and Pledge of Allegiance**

Rabbi Michael Schoening from The Olive Tree Messianic Synagogue delivered the invocation and Chair Williams led the Pledge of Allegiance.

**3. Consent Calendar**

**3a. Approval of Minutes: April 20, 2022**

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

**4. Recognition**

**Recognizing the Exemplary Performance of Senior Account Manager Steve Carr**

Mr. Travas Deal, Chief Operations Officer, thanked Mr. Steve Carr, Senior Account Manager, for spearheading the Intergovernmental Services Agreement (IGSA) with Fort Carson. Mr. Deal said this was a three-year project and Mr. Carr provided exceptional service to both internal and external customers throughout the process.

Mr. Carr provided background information about the project and thanked all who supported him.

## **5. Customer Comments**

Ms. Deborah Stout-Meiningner expressed concerns about wind turbines, transmission lines and droughts in Colorado.

Mr. Sam Masias compared Colorado Springs' electric grid criteria to Huntsville, AL and shared improvement opportunities for advancing energy resilience.

Mr. Aram Benyamin, Chief Operating Officer, commented how Springs Utilities is supporting military bases in terms of power production and reliability. He said staff is also reviewing grants that support power and electric grids.

## **6. Compliance Reports**

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

- I-2 Financial Condition and Activities - Annual City Auditors Report G-7 (Annual external)
- I-8 Asset Protection - Annual City Auditors Report
- I-2 Financial Condition and Activities (to include Contracts Over \$500K\*\*) G-7 – Q1
- E-2 CEO Responsibilities
  - ECA/GCA Monitoring
  - Water Outlook

Ms. Kalsoum Abbasi, Water Planning Supervisor, said snowpack in the Arkansas River Basin is 35% of normal and snowpack in the Colorado River Basin is 54% of normal. She said the May 1, 2022 statewide SNOTEL map shows a stark reduction of snow water equivalent (SWE) for watersheds in southern Colorado, while northern Colorado SWE remains just slightly below average.

Ms. Abbasi said April 2022 yield forecast predicts 89% of average water collection system yield, and Colorado Springs' system wide storage is about 183,200 acre-feet, or 70.8% of capacity. She explained how this is above the shorter-term (2001-2021) average of 67% for this time of year. Ms. Abbasi concluded with a graph comparing Colorado River water use versus population since 1970.

## **Supply Chain Update**

Mr. Benyamin said the organization has found work arounds for external customers despite the supply chain shortages/delays for transformers. He said fluctuation for materials is better than before, so business is not interrupted for both internal and external customers. Mr. Benyamin also explained how the American Public Power Association (APPA) and Large Public Power Council (LPPC) wrote letters to elected

officials to raise attention about supply chain shortages and the impacts it has on the utility industry during emergency response situations. He said Springs Utilities is actively working with utility organizations across the nation to share information, exchange material and support each other. Mr. Benyamin said Springs Utilities is monitoring the next phase of these legislative rallies, particularly the U.S. Department of Commerce (DOC) investigating imported solar cells and panels.

#### **7. Items Called Off Consent Calendar**

None

#### **8. Electric Infrastructure Grid Modernization Overview**

Mr. David Longrie, Project Manager Supervisor, explained the organization's objective for electric infrastructure grid modernization, which is to improve the electric system to ensure safe, reliable, and competitively-priced electric service. He reviewed the five major components of Springs Utilities' grid modernization efforts and explained the importance of each:

- Sustainable Energy Plan – Builds new generation, transmission and substation projects to meet the approved Integrated Resource Plan (IRP).
- Independent system operator/regional transmission organization – Allows for additional energy import and export and ancillary services.
- Infrastructure upgrades – Expand and/or upgrade existing substations, and transmission and distribution lines.
- Distributed Energy Resources (DER) – Focuses on small-scale generation and storage, and resiliency improvements through opportunities like microgrids.
- Fiber network – Improves operational communication and security.

Mr. Longrie concluded with next steps for each component.

Mr. Masias said there needs to be more distributed energy on commercial building roofs to compensate for electric grid reliability.

#### **9. Resolution Approving Springs Utilities' Clean Energy Plan**

Ms. Lisa Barbato, Chief Strategic Planning and Projects Officer, provided background information about House Bill 19-1261 and explained how in June 2020, the Utilities Board approved the Energy Integrated Resource Plan (EIRP) of reducing 80% greenhouse gases by 2030 from 2005 levels. She said in April 2022, the Air Pollution Control Division completed review and verification of Springs Utilities' Clean Energy Plan (CEP) and supplied a verification report.

Ms. Barbato explained next steps which per statute, the following remaining items need to be accomplished for Springs Utilities to be provided "safe harbor":

- The Utilities Board needs to approve the verified CEP.
- The Air Pollution Control Division will brief the Public Utilities Commission (PUC) on the Springs Utilities' CEP.

- The verified CEP will be submitted to PUC by July 1, 2022, and is deemed approved upon submission.

Board Member Strand moved approval of the resolution and Board Member Avila seconded the motion. It was unanimously approved.

#### **10. Board Policy Guideline Change: Community Support (G-11)**

Mr. Matt Dudden, Interim Office of Economic Development and Stakeholder Relations Manager, explained how Community Focus Fund (CFF) grant funding was discussed at the April Utilities Board meeting about changing how funds be used to support programs and projects in alignment with the original charter intent. He said the current policy (G-11) allows for 100% of CFF grant dollars to fund nonprofit organizations in support of affordable housing, and changes to G-11 must be approved by a majority Utilities Board vote.

Mr. Dudden reviewed the proposed changes to G-11 and Board Member Fortune moved approval of the changes. Board Member Helms seconded the motion and it was unanimously approved.

#### **11. Fiber Optic Network Expansion Update**

Mr. Brian Wortinger, Fiber Optics and Telecommunications Manager, explained the origin of the Springs Utilities' fiber optic network expansion project, and how legal and regulatory changes to the national electric grid and local infrastructure have impacted the fiber industry.

Mr. Wortinger explained the purpose of this assignment, which is to enable high-speed, low-latency, highly secure, highly reliable telecommunications for utility purposes. He said this project is beneficial because it enables a more resilient and secure network that sets the stage for the future of the organization's digital utility and will prepare Springs Utilities to take advantage of safety and efficiency gains across the organization's four services. He also explained how our fiber network benefits ratepayers, in terms of staff responding quicker to outages.

Mr. Wortinger discussed how Springs Utilities chose the Utility Lease Model because it provided the most benefit at the least risk to ratepayers. He said the organization bears the construction and maintenance risk for the fiber project but with little to none of the market risk, while tenants bear that risk as they provide a fixed payment to Springs Utilities, regardless of the market capture rate. Mr. Wortinger also explained how Springs Utilities selected The Broadband Group as the lead consultant for this project, who initially developed the Utility Lease Model. He said the contract with The Broadband Group is task-based, meaning Springs Utilities approves the release of tasks and subtasks for them to perform.

Mr. Wortinger concluded with project costs and said the organization plans to cash finance this project out of the allocated annual budget for capital projects.

Mr. Masias expressed concerns about the costs of fiber and how the service will financially burden ratepayers.

## **12. Board Member Updates**

Board Member Avila thanked all staff members who presented at the meeting and prepared materials for the Utilities Board meeting. She also provided an update from the Supplier Day event.

Board Member Strand urged citizens to call Springs Utilities if they have questions about their utility bills.

Board Member Fortune shared her experience touring the Drake Power Plant and the Utilities Reliability Program gas project last week.

Board Member Henjum said a rate price increase may occur later this summer based on information shared from the May Finance Committee meeting.

Board Member Donelson also expressed appreciation from touring the Drake Power Plant and the Utilities Reliability Program gas project.

Chair Williams thanked staff for providing information in a public forum, so information is communicated across the City.

## **13. CEO Performance Executive Session – break until 3:05 p.m.**

Ms. Bethany Burgess, Division Chief – Utilities, Office of the City Attorney, read the following language to enter Executive Session:

In accordance with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(a), (b), and (e) and Utilities Board Bylaw Rules 10(c)(1), (2), and (5), the Utilities Board, in Open Session, is to determine whether it will hold a Closed Executive Session. The issue to be discussed involves the purchase and acquisition of real, personal, and other property interests, consultation with the City Attorney for the purpose of receiving legal advice and instructions, and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators regarding water rights acquisitions.

The City Attorney's Office, on behalf of the Chair of the Utilities Board, shall poll the Utilities Board members, and, upon consent of two-thirds of the members present, may conduct a Closed Executive Session. In the event any Utilities Board member is participating electronically or telephonically in the Closed Executive Session, each Utilities Board member participating electronically or telephonically in the Closed Executive Session shall affirmatively state for the record that no other member of the public not authorized to participate in the electronic Closed Executive Session is

present or able to hear the matters discussed as part of the Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

Ms. Burgess polled the Utilities Board and they voted unanimously to enter Executive Session.

The Utilities Board took a break at 2:52 p.m. and entered Executive Session at 3:05 p.m.

The Utilities Board ended Executive Session at 3:31p.m.

#### **14. Adjournment**

The meeting adjourned at 3:32 p.m.