

**Utilities Board Meeting Minutes**  
**Wednesday, January 16, 2008**  
**Blue River Board Room**  
**5<sup>th</sup> Floor, Plaza of the Rockies South Tower**  
**121 S. Tejon**

Utilities Board Members Present: Chair Lionel Rivera, Vice Chair Small, Board Members Tom Gallagher, Darryl Glenn, Jerry Heimlicher, Scott Hente, Jan Martin, and Randy Purvis. Board Member Margaret Radford was excused.

Staff Members Present: Jerry Forte, Patricia Kelly, Ken Burgess, Sherri Newell, Janet Feltz, Dave Padgett, Dominic Romano, Alan Goins, Lisa Rosintoski and Nancy Schneider.

**I. Call to Order**

The meeting was called to order by Chair Rivera.

**II. Minutes**

The minutes of the December 19, 2007 Utilities Board meeting were approved.

**III. Customer Comment Period**

Customer Comment:

Cynthia Pulham stated that she was speaking as a customer and mom who is concerned about global climate change. She stated that she felt Springs Utilities is doing a great job in trying to find alternatives to building a coal-fired power plant, and she hoped the organization would continue to offer additional creative ways to help people to conserve energy and promote renewable energy.

Courtney Farrell reported that she is a scientist and is concerned about the possibility of coal-fired power plants being built. She stated that scientists are now realizing that when the acid rain or snow that are created by the power plants go into the soil, they create changes in the soil which are damaging to the water we drink.

Environmental Services Department Manager Dave Padgett stated that Springs Utilities has been well below the standard in regard to government controls on sulfur emissions that were instituted as a result of recent clean air act amendments. Chief Executive Officer Jerry Forte stated that Springs Utilities also gets a low sulfur coal, which results in lower acid rain.

#### **IV. Governance Monitoring Reports**

##### **A. Semi-Annual Report on Executive Limitation (EL) 11 – Enterprise Risk Management**

There were no comments or questions.

##### **B. Semi-Annual Report on Executive Limitation (EL) 13 – Infrastructure**

There were no comments or questions.

##### **C. Quarterly Report Contracts Issues over \$50,000 Executive Limitation (EL) 8 – Communication and Support to the Board**

There were no comments or questions

##### **D. Chief Executive Officer's Communication Executive Limitation (EL) 8 – Communication and Support to the Board**

Portfolio Management Manager Janet Feltz gave a brief update on energy portfolio management. She stated that some of the core tasks of energy portfolio management are load forecasting, risk management and hedging, and procurement strategies. She explained the energy supply structure of Springs Utilities. She reported there is a direct impact on customer bills through energy cost adjustments. She reported that the 2007 performance in energy portfolio management was very good, and has saved a great deal of money for Springs Utilities customers.

North Work Center Manager Mark Johnson gave a brief presentation and update on progress on the Woodman and Powers interchange. He explained the work that needed to be done in order to allow the interchange to be built, and then reviewed the electric and natural gas distribution work that took place, using pictures and maps to explain the process.

Customer and Industry Research Manager Debi Pelican reported on results of the renewable energy survey. She reported the survey was a random phone survey given to residential and business customers. She reported that information that there would be a survey was also printed on customer bills, with an invitation for them to also survey if they wished. She reviewed the results of the survey, noting that customer support for renewables was indicated in this survey.

Board Member Martin asked that Utilities Board members receive a copy of the survey information, and reported she would also like to compare that information with last year's survey.

Safety & Health Manager Dominic Romano gave a brief update on Incident and Injury Free (IIF) workplace program at Springs Utilities. He reported that Springs Utilities has made significant progress in building the foundation for an incident and injury free culture.

**CUSTOMER COMMENT:**

Scott Harvey stated that now that the Utilities Board has heard the results of the survey on renewable energy, he would like to hear how the results might affect the direction they might give Springs Utilities' staff on this. Chair Rivera responded that the main reason for the survey was so it could be integrated into the Electric Integrated Resource Plan (EIRP). He stated it seemed as if those who responded to the survey are will to accept a moderate rate increase for renewable energy, and this information will be incorporated into the EIRP.

Board Member Heimlicher expressed concern that the number of customers responding to the survey was not large enough. Chair Rivera stated that it was a statistically significant number. Board Member Gallagher reported that we need to support renewable energy but it must be measured by good sense and market. Vice Chair Small stated that the move in the country is towards renewable energy and as good stewards we need to move in that direction. Board Member Martin stated that she thought the survey does show an increased interest, but she didn't think we can make a good decision at this time because the technology isn't readily available yet.

**V. Discussion/Action Items**

**A. Utilities Policy Advisory Committee Letter of Accomplishments for 4<sup>th</sup> Quarter 2007**

Issues Management Manager Lisa Rosintoski stated that UPAC Chair Kate Hatten could not attend the meeting today to answer questions, but she would be glad to answer questions on Ms. Hatten's behalf. There were no comments or questions.

**B. A Resolution in Support of Alan Hamel for Appointment to the Water Conservation Board**

Government Affairs Manager Andy Colosimo reported that Springs Utilities recommends a resolution in support of Alan Hamel for Appointment to the Water Conservation Board. Board Member Gallagher made a motion to approve the resolution, Board Member Purvis seconded the motion, and it was approved by unanimous voice vote.

**C. Quarterly Board Performance Evaluation  
Governance Process (GP) 2 – Governing Style**

Chair Rivera asked Board members to fill out the form attached to the Utilities Board agenda and return it to him.

**D. General Discussion**

Scott Hente suggested they hold an executive level session on economic development. Chair Rivera reported he would be open to a discussion but didn't think it needed to be in executive session. He suggested this be covered during the update in March.

Board Members Glenn and Heimlicher expressed concern about access to the 5<sup>th</sup> floor Plaza South Tower both during Utilities Board meetings as well as when they come up to conduct business with Springs Utilities' staff. Mr. Forte stated that Springs Utilities conducted a risk assessment and one of the recommendations was to put in the doors. He asked Interim Chief Integrated Resources Officer Alan Goins to review the security procedures. Chair Rivera requested that Board members be issued access cards, and that the Plaza Blue River Boardroom be accessible to the public. Board Member Gallagher stated he would like to see to joint use of City and Springs Utilities' facilities.

Board Member Glenn asked Mr. Forte to address the issue of consultant fees that was mentioned in The Gazette recently. Mr. Forte gave a brief explanation of the use of consultants at Colorado Springs Utilities. Board Member Martin reported that she felt the issue of consultants was an issue of perception just as the issue of pay for performance was. She stated that she felt this particular consultant working with leadership is one area that creates a problem in perception. Vice Chair Small stated that consultants are important, and in this particular case he felt this was a good use of a consultant.

Board Member Martin requested an update on the Environmental Impact Statement (EIS) at the next Board meeting. Mr. Forte responded that the attachments and docs that support should be released by the end of this month.

#### CUSTOMER COMMENT:

John Crandall reported that he is the owner of the Old-Town Bicycle Shop at 426 S. Tejon; and he wanted to thank Springs Utilities for its rebate programs and its support of renewable energy.

#### **E. Adjournment**

The meeting was adjourned at 3:45 p.m.