

Utilities Board Meeting Minutes
Wednesday, March 19, 2008
Blue River Board Room
5th Floor, Plaza of the Rockies South Tower
121 S. Tejon

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

Staff Members Present: Jerry Forte, Patricia Kelly, Jan Crosby, Sherri Newell, Tom Black, Bruce McCormick, Edward Easterlin, Monica Whiting, Bill Cherrier, Kimberly Girling, Andrew Colosimo, Kevin Lusk, Scott Campbell, Lisa Rosintoski, and Nancy Schneider.

I. Call to Order

The meeting was called to order at 12:30 p.m. by Chair Rivera.

II. Executive Session

Upon discussion of the Board, the Utilities Board meeting was adjourned and the Executive Session was convened at 12:30 p.m. City Attorney Patricia Kelly read the language in the agenda describing the proposed Executive Session. Chair Rivera polled the Board Members. All answered *aye*, and the consent for holding an Executive Session was unanimous.

Board Member Radford left at 1:05 p.m.

A break was taken from 1:05 p.m. to 1:15 p.m.

Reconvene Open Session

The meeting was reconvened at 1:15 p.m.

III. Minutes

The minutes of the February 20, 2008 Utilities Board meeting were approved.

IV. Recognition/Customer Comment Period

A. Addy Awards – Get the Green Back

Chair Rivera reported that Colorado Springs Utilities received five awards from the Advertising Federation for the *Get the Green Back* conservation program. He reported that this program helps customers reduce energy and water use, and consequently save money. He introduced Chief Executive Officer Jerry Forte who thanked the Board for their continued support of important customer education programs like this one. Mr. Forte introduced Corporate Communications Manager Mark Murphy who received the recognition on behalf of Colorado Springs Utilities.

B. 2007 Champion of Diversity Award

Chair Rivera reported that the Colorado Springs Diversity Forum wished to recognize Springs Utilities' DELTA team for their participation in a cultural and diversity festival held recently in Colorado Springs. He asked Mr. Forte to introduce DELTA Team Co-chair Yasin Ali, who in turn called Diversity Forum Co-chair Jay Patel and members of the DELTA Team forward. Mr. Patel presented a plaque to the DELTA Team and thanked them for making Colorado Springs a better place.

Customer Comment:

There was no customer comment.

V. Governance Monitoring Reports

A. Annual Report on Ends Policy (E-1) Organizational Purpose

Board Member Gallagher reported he was concerned about the increased numbers of hours attributed to equipment failures. Chief Energy Services Officer Tom Black responded that Springs Utilities is concerned about that as well, and is stepping up efforts to reduce outages. He stated that Springs Utilities' staff would provide a more detailed report to the Utilities Board.

B. Quarterly Report on Executive Limitation (EL) 4 – Asset Protection

Board Member Gallagher asked what Springs Utilities was doing to increase the percentage of local contractors who are used on projects. General Manager of Planning and Financial Services Bill Cherrier gave a review of efforts Springs Utilities takes to bring in local contractors. Mr. Forte added that several of the projects are very large and cannot be handled by local contractors, but added that Springs Utilities does encourage contractors of those projects to use local contractors when possible. Chair Rivera asked Springs Utilities staff to reach out to trade groups in addition to the local Chambers of Commerce. Mr. Cherrier stated that he believes Springs Utilities already does so but Springs Utilities staff would make additional outreach efforts due to the Board's request.

Vice Chair Small arrived at 1:37 p.m.

C. Quarterly Report on Executive Limitation (EL) 7 - Financial Condition & Activities

There were no comments or questions.

D. Semi-Annual Report on Executive Limitation (EL) 9 - Treatment of Consumers

There were no comments or questions.

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

Mr. Forte introduced Water Supply Principal Engineer Kevin Lusk, who gave an update on current outlook of the water situation as of March, 2008.

VI. Discussion/Action Items

**A. Annual and Long-Term Chief Executive Officer Performance Plan Results
Board-CEO Linkage (BL) 6 – Annual Evaluation of the CEO**

Board Member Purvis made a motion to approve the performance plan results, Board Member Small seconded, and the motion passed by unanimous voice vote.

**B. Strategic Planning for Economic Vitality
Limitation (EL) 14 - Community Investment**

Customer Service Department Manager Monica Whiting gave a first quarter project update of Springs Utilities' Strategic Planning for Economic Vitality Program.

Board Member Glenn arrived at 2:08 p.m.

Ms. Whiting introduced Strategic Account Product Manager Kim Girling, who gave a demonstration of the Economic Vitality website within Colorado Springs Utilities' website at www.csu.org.

A break was taken from 2:51 p.m. to 3:10 p.m.

**C. Legislative Update
Executive Limitation (EL) 8 – Communication and Support to the Board**

Mr. Colosimo gave an update on key legislative issues of interest to Springs Utilities that are under consideration in the state and federal legislatures at this time.

Chair Rivera renewed a request for information and resolutions regarding items of federal significance for him to take to with him to the U.S. Conference of Mayors.

Chair Rivera and Board Member Gallagher asked that an update on the solar energy bill be given to Council members at the City Council meeting on Monday.

D. Water Infrastructure Planning
Executive Limitation 13 - Infrastructure

Chief Water Services Officer Bruce McCormick and Water System Operations Manager Scott Campbell gave an update on water infrastructure planning. Mr. McCormick reviewed the raw water system, collections, transmission, and terminal storage. He turned the presentation over to Mr. Campbell who provided a raw water system overview as well as the costs associated with needed repairs to aging infrastructure in the system.

E. Natural Gas PrePayment Program
Executive Limitation (EL) 7 - Financial Condition & Activities

Mr. Cherrier presented an update on the natural gas prepayment program.

Board Member Hente asked Springs Utilities to resend the information that had been presented to the Utilities Board previously on this topic, and Mr. Cherrier stated Springs Utilities would provide that information.

F. A Resolution in Support of Harold Miskel and Gib Hazard for Appointment to the Southeastern Colorado Water Conservancy District
Executive Limitation (EL) 8 – Communication and Support to the Board

Mr. Colosimo introduced a resolution of support of Harold Miskel and Gib Hazard for appointment to the Southeastern Colorado Water Conservancy District (SCWCD). Vice Chair Small made a motion to approve the resolution, Board Member Purvis seconded the motion, and it was approved by unanimous voice vote.

VII. General Discussion

Board Member Purvis asked for a chart indicating permits and timelines required for each of the alternatives of the Southern Delivery System (SDS) as described in the Environmental Impact Statement.

Mr. Forte reported that he wished to recognize Engineering General Manager Wayne Booker who will be retiring from Colorado Springs Utilities. He thanked him for his wisdom, knowledge, and hard work for Colorado Springs Utilities throughout the years.

VIII. Executive Session

Upon discussion of the Board, the Utilities Board meeting was adjourned and the Executive Session was convened at 4:25 p.m. City Attorney Patricia Kelly read the language in the agenda describing the proposed Executive Session. Chair Rivera polled the Board Members. All answered aye, and the consent for holding an Executive Session was unanimous.

IX. Adjournment

The meeting was adjourned at 5:04 p.m.