



COLORADO SPRINGS UTILITIES BOARD
MS Teams and Blue River Board Room
Plaza of the Rockies
121 S. Tejon Street
South Tower, 5th Floor

Minutes
Wednesday, August 19, 2026
1:00 p.m. – 5:00 p.m.
Blue River Board Room

1. Call to Order

Chair Dave Donelson called the meeting to order at 1:00 p.m.

Ms. Anna Bingman, Utilities Board Administrator, called roll.

Present – Board Member Ken Casey, Board Member Lynette Crow-Iverson, Chair Dave Donelson, Board Member Kimberly Gold, Board Member Nancy Henjum (online), Board Member David Leinweber, Board Member Roland Rainey, Board Member Brian Risley, and Vice Chair Brandy Williams

2. Invocation and Pledge of Allegiance

Deacon Jeffrey Hanson with the Diocese of Colorado Springs, and a Principal Engineer with Colorado Springs Utilities, offered the invocation, and Chair Donelson led the Pledge of Allegiance.

3. Consent Agenda

- **Approval of the July 20, 2026, Working Committee meeting minutes**
- **Approval of the July 22, 2026, Utilities Board Meeting minutes**

Board Member Gold made a motion to approve the items on the Consent Agenda. Board Member Casey seconded the motion. The motion to approve the Consent Agenda passed unanimously.

4. Recognition

- **Water Star Award from the Alliance for Water Efficiency**

Ms. Julia Gallucci, Water Conservation Supervisor, informed the Board that Scott Winter, Resource Planner IV, had received the Water Star Award from the Alliance for Water Efficiency. This award recognizes individual excellence in water efficiency and honors professionals whose dedication, leadership, and passion have made a meaningful impact on water conservation and sustainability. Ms. Gallucci noted many of Mr. Winter's accomplishments over his 22-year career at Colorado Springs Utilities, and how he has advanced water efficiency practices and helped ensure a more sustainable water future for Colorado Springs Utilities.

Mr. Winter thanked Ms. Gallucci for her kind words and thanked the Board for this recognition.

Board Chair Donelson thanked Mr. Winter for his efforts in both receiving this award and the contributions made to Colorado Springs Utilities to further water conservation for the community.

Vice Chair Williams congratulated Mr. Winter on this award and thanked Mr. Winter for his dedication to water conservation.

Board Member Henjum also congratulated Mr. Winter and said she has benefited personally from his efforts when it comes to her own garden.

- **50-Year PVC Pipe Award from the Uni-Bell PVC Pipe Association**

Ms. Tara McGowan, Manager of Engineering, and Mr. Stefan Manning, Engineer III, informed the Board that Colorado Springs Utilities had recently received the newly established 50-Year PVC Pipe Award from the Uni-Bell PVC Pipe Association. This award recognizes over five decades of successful use of PVC pipes in the water distribution system. Ms. McGowan stated that this award reflects decades of planning, engineering expertise and maintenance practices that help ensure reliable water service for the community. Mr. Manning added that the current mileage of Colorado Springs Utilities water main system is about 2,400 miles, with 1,100 miles of that using PVC pipe.

Board Member Rainey asked for clarification if this honor was awarded every 50 years, or if it is a new award. Ms. McGowan confirmed this is a new award, recognizing municipalities who have been utilizing PVC for 50 years or more. Colorado Springs Utilities has been utilizing PVC since 1972, which allowed the organization to qualify for the award.

5. Customer Comments

There were no customer comments.

6. Compliance Reports:

- **I-4 Risk Management (Semi-Annual)**
- **ER: 1-3 2026 CEO Balanced Scorecard Mid-Year Results**

Ms. Natalie Watts, Strategic Planning and Governance Manager, presented the Board with the ER: 1-3 2026 CEO Balanced Scorecard Mid-Year Results. This presentation included the overall Enterprise Balanced Scorecard score of 4.00, a 5-year look at Scorecard Results, the and the performance measures of each expectation. The presentation also reviewed the measures that partially meet expectations and what steps are being taken to improve the score of these measures. Additionally, Ms. Watts

explained how the Scorecard is used in the evaluation of the Chief Executive Officer and his performance plan.

Chair Donelson asked Ms. Watts to explain why the score for water rates is average. Ms. Watts explained that this is due to the different makeup of our water system, as water is brought in from other sources. However, Colorado Springs Utilities tries to stay within a 10% to 20% average of other cities on the Front Range.

Board Member Casey asked if the Plan of Finance that was discussed at Monday's Working Committee meeting would address the financial activity that did not meet expectations. Mr. Tristan Gearhart, Chief Planning and Finance Officer, answered that the Plan of Finance would help increase the Days Cash on Hand so that it would finish the year in the meets expectations category.

Board Member Rainey noted that, in coming years, there will be more Clean Energy legislation to adhere to and asked if debt coverage addresses any of those potential mandates, or if that will have to be considered later. Mr. Gearhart answered that capital additions are included in the 5-Year Rate Case, which will satisfy some of these goals. Other options for Clean Energy include renewables, which are mostly facilitated through Purchase Power Agreements. These agreements don't impact the debt service the same way building our own generation would.

Board Member Henjum noted that some of the measures are computed on a consolidated basis and don't line up from the budget reviewed at Monday's Working Committee meeting. Board Member Henjum said when the measures are calculated individually, it actually gives a Scorecard Result of 3.77, not 4.0. Board Member Henjum also stated that while the average bill is cheaper per household than other areas of the Front Range, it would be better to show comparisons between ratepayers in Colorado Springs, as it would show affordability in households rather than competing against other utility companies.

Finally, Board Member Henjum said that the largest use of ratepayer money is \$738 million with a debt ratio of 65%, and she would like to see the same rigor about other measures applied to capital projects. Mr. Gearhart thanked Board Member Henjum for her questions and comments. He stated that the debt ratio is consolidated, since it is issued to Colorado Springs Utilities as one entity. The debt is backed by the revenue from all four services offered, but the metrics are broken up per service to show that basic needs are being met. Mr. Gearhart added that the debt ratio will fluctuate as we are in a capital build cycle, as it did in past years for large projects. Colorado Springs Utilities compares favorably against other utilities that include fewer services, even with the consolidated number.

Board Member Henjum asked if the high debt ratio in wastewater is due to the Eastern Wastewater Expansion project, which should receive some funding from developers, but

that hasn't happened yet. Mr. Gearhart explained that while this project is the largest capital project in the wastewater service, other projects and normal maintenance also drives the debt ratio up.

Board Member Risley asked Mr. Gearhart to speak about the cost recovery of large capital projects such as the Eastern Wastewater Expansion. Mr. Gearhart spoke to the nature of these capital projects, explaining that timing is critical to make sure customers can rely on the services, wastewater in particular. When debt is issued to fund large projects, Colorado Springs Utilities is able to offset future rate pressure when development does occur, and development fees are then accrued. Board Member Risley asked Mr. Gearhart if he thought the debt ratio had any correlation to customer satisfaction. Mr. Gearhart responded that he hoped the debt ratio would actually increase customer satisfaction because it is proof of good credit ratings that help to keep our interest costs down, which ultimately saves customers money in the long run.

Ms. Renee Adams, Chief Human Resource Officer, walked the Board through the Scorecard calculations and the weight of each measure to provide additional clarity and to explain how the score ended up being a 4.0, and why it was not a 3.77.

Mr. Mike Francolino, Chief Customer and Enterprise Services Officer, explained the different ways his team plans to help address customer satisfaction for residential, small business, and commercial customers. Board Member Henjum asked if the recent Brand and Reputation Survey results will be shared. Mr. Francolino said yes, this will be shared.

Board Member Rainey noted that phone service is being addressed to help with customer satisfaction. He asked if this is course correcting general issues or if there are specific issues. Mr. Francolino responded that the phone service is being looked at holistically to see where efficiencies can be made and to improve direct customer interaction.

Chair Donelson encouraged any customers listening to the meeting to call the main Colorado Springs Utilities line if they have any concerns about their bills, and they will be walked through their bill and presented different options for affordability. Many customers' bills have increased due to the hot and dry temperatures but can also be affected by the number of days in the billing cycle. Chair Donelson reiterated that the Customer Service Team is available to provide help.

- **E-2 CEO/Board Partnership Responsibilities – Electric Cost Adjustment/Gas Cost Adjustment**

Mr. Scott Shirola, Pricing and Rates Manager, presented the Board with the Electric Cost Adjustment and Gas Cost Adjustment. This presentation depicted the projections for natural gas prices, as well as electric prices. Due to an overcollection in the Electric Cost Adjustment, Mr. Shirola said he would be returning to the meeting next month to

request an Electric Cost Adjustment decrease to be presented at City Council to go into effect on October 1, 2026. This reduction would decrease the typical residential electric bill by around \$1.75.

- **E-2 CEO/Board Partnership Responsibilities – Water Outlook**

Mr. Justin Zeisler, Supervisor of Water Resource Planning, provided the Water Outlook.

Board Member Henjum asked Mr. Zeisler to elaborate on conditions of the Colorado River that would move Colorado Springs Utilities into further water restrictions. Mr. Zeisler responded that further restrictions wouldn't be imposed until only 1.5 years of storage remained. Currently, there are over two years of storage, and with a wet winter predicted, that number will hopefully increase.

Board Member Leinweber commented that due to the low snowpack yield, Colorado Springs Utilities received less water from the Colorado River compared to normal years. He asked how that was affecting these numbers. Mr. Zeisler responded that his team has analyzed other years with record low water yield to help form drought impact models that help with future planning. Board Member Leinweber asked if Colorado Springs Utilities is assisting any other neighboring municipalities facing water shortages. Mr. Zeisler said yes, several had reached out to provide access to some regional connections within our system.

7. Items Called Off Consent Agenda

No items were called off consent.

8. Amendment to City Code Section 12.1.113 to Allow Liens for All Utilities Services

Mr. Patrick Malone, Manager of Customer Revenue and Billing, and Ms. Hannah Gerardy, Associate Attorney for the Office of the City Attorney, presented the Board with the Amendment to City Code to Allow Liens for All Utilities Services. This presentation included the definition of liens and proposal, the proposed change to City Code, legal support and rationale, and next steps.

Chair Donelson stressed that this amendment would likely not apply to an average residential user and would protect ratepayers in the event a large commercial balance was unpaid.

Vice Chair Williams made the motion to recommend approval of an ordinance amending City Code Section 12.1.2213 to allow liens for all Utilities Services to be placed on the September 8, 2026, Regular City Council meeting agenda as Utilities Business. Board Member Rainey seconded the motion. The motion carried unanimously.

9. 2026 AB Bond Ordinance

Mr. Adam Hegstrom, Treasury and Finance Manager, presented the Board with the 2026 AB Bond Ordinance. This presentation covered the Plan of Finance, New Money Debt Issuance for the 2026As and 2026Bs, and next steps.

Board Member Risley asked Mr. Hegstrom what borrowing rates are when staff go out to the market with new debt. Mr. Hegstrom responded that it's very day-to-day dependent, but for the 2026A series, the tax-exempt rate is around 4.75% to 4.85%. Taxable rates are about 1% higher.

Board Member Rainey made the motion to recommend approval of an ordinance authorizing Colorado Springs Utilities to issue Utilities System Improvement Revenue Bonds, Series 2026A and 2026B to be placed on the September 8, 2026, Regular City Council meeting agenda. Board Member Gold seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

10. 2026-2027 Utilities Build America Bonds (BABs) Refunding Bond Ordinance

Mr. Hegstrom presented the Board with the 2026-2027 Utilities Build America Bonds (BABs) Refunding Bond Ordinance. This presentation included information about the refunding opportunities for these bonds, and next steps.

Board Member Leinweber made the motion to recommend approval of an ordinance authorizing Colorado Springs Utilities to refund certain bonds and issue and sell Utilities System Refunding Revenue Bonds, Series 2026C, 2027A and 2027B to be placed on the September 8, 2026, Regular City Council meeting agenda. Vice Chair Williams seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

11. Board Member Updates

There were no Board Member updates.

12. Summary of Board Actions

Ms. Bingman provided a summary of Board Actions:

- Approved the July 20, 2026, Working Committee meeting minutes
- Approved the July 22, 2026, Utilities Board meeting minutes
- Recommended approval of an ordinance amending City Code Section 12.1.113 to allow liens for all Utilities Services to be placed on the agenda on the September 8, 2026, Regular City Council meeting as Utilities Business.
- Recommended approval of an ordinance authorizing Colorado Springs Utilities to issue Utilities System Improvement Revenue Bonds, Series 2026A and 2026B to be placed on the September 8, 2026, Regular City Council meeting on Consent.

- Recommended approval of an ordinance authorizing Colorado Springs Utilities to refund certain bonds and issue and sell Utilities System Refunding Revenue Bonds, Series 2026C, 2027A and 2027B to be placed on the September 8, 2026, Regular City Council meeting on Consent.

13. Executive Session

Ms. Renee Congdon, Utilities Division Chief for the Office of the City Attorney, read the meeting into Closed Executive Session.

The Utilities Board unanimously approved the motion to go into Closed Executive Session.

The Utilities Board took a five-minute break at 3:03 p.m. to prepare the room.

The Regular Utilities Board Meeting came back into regular session at 4:29 p.m.

14. Adjournment

Chair Donelson adjourned the meeting at 4:29 p.m.