



Colorado Springs Utilities
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Agenda
Colorado Springs Utilities Board
Wednesday, July 22, 2009 - 1:00 p.m.
Blue River Board Room
5th Floor, Plaza of the Rockies South Tower
121 S. Tejon

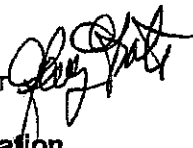
<u>Est. Time</u>		<u>Objective</u>
1:00	I. Call to Order	
1:05	II. Minutes	
	A. Approval of Minutes of June 17, 2009 Meeting	Decision
1:10	III. Recognition/Customer Comment Period	
	A. American Heart Association	
1:15	IV. Governance Monitoring Reports (see attachments)	
	A. Semi-Annual Internal and Annual External Report on Executive Limitation (EL) 11 - Enterprise Risk Management	Monitoring
	B. Semi-Annual Report on Executive Limitation (EL) 13 – Infrastructure	Monitoring
	C. Annual Report on Executive Limitation (EL) 6 – Financial Planning/Budgeting	Monitoring
	D. Quarterly Report on Contracts Issued over \$50,000 Executive Limitation (EL) 8 – Communication and Support to the Board	Monitoring
	V. Discussion/Action Items (see attachment)	
2:00	A. Utilities Policy Advisory Committee Accomplishments - Second Quarter 2009 - Governance Process (GP) 8 – Board Committee Structure	Discussion
2:30	B. Legislative Update Executive Limitation (EL) 8 - Communication and Support to the Board	Information
3:00	C. Southern Delivery System Implementation Executive Limitation (EL) 13 – Infrastructure	Decision

<u>Est. Time</u>		<u>Objective</u>
4:00	D. 2010 Financial Planning/Budgeting Presentation Executive Limitation (EL) 6 – Financial Planning/ Budgeting	Discussion
4:30	E. City of Manitou Springs Incline – License Agreement Executive Limitation (EL) 4 – Asset Protection	Discussion
5:00	F. Quarterly Board Performance Evaluation Governance Process (GP) 2 – Governing Style	Discussion
	VI. General Board Discussion	
	VII. Adjournment	

V. DISCUSSION/ACTION ITEMS
C

Interoffice Memorandum



Date: July 15, 2009
To: Utilities Board
From: Jerry Forte, P.E., Chief Executive Officer 
Subject: Southern Delivery System Implementation

Relevant Board Policy: Executive Limitation (EL) 13 – Infrastructure

Information Objective: Decision

Previous Board Communication/Discussion: Recent communications to the Board were: weekly communication memos for the Southern Delivery System (SDS) Quarterly Progress Update, dated April 24, 2009 and January 30, 2009, a memo updating the Board on permitting activities, dated January 9, 2009, and a presentation on land acquisition activities at the April 2009 Utilities Board meeting.

Executive Summary: During the past three months, staff has been conducting a rigorous analysis to refine and determine the optimal implementation schedule and financing plan with the least impact to ratepayers. SDS staff will provide the Board with our recommendation to implement the Preferred Alternative. The briefing will include implementation costs, permitting window, the need for additional capacity and system reliability, a recommended construction schedule and financing plan.

Background Information: As you know, our primary objective has been to construct the Preferred Alternative – the best alignment for a number of important reasons, including significant operational advantages, lower cost and fewer environmental impacts.

Construction costs for the Pueblo County option are estimated to be at least \$190 million less than the Highway 115 Alternative through Fremont County. The Preferred Alternative was also deemed by the Bureau of Reclamation as having the lowest energy use requirements of all the options studied, as well as fewer environmental and cultural impacts. In addition, a connection to Pueblo Reservoir is operationally superior to a river intake. And, the Preferred Alternative would leverage investments of more than \$65 million that El Paso County property owners have made in Fryingpan-Arkansas Project facilities, including Pueblo Reservoir.

We continue working with officials and water providers in Fremont County and plan to preserve the option to build the Highway 115 Alternative until construction of the Preferred Alternative is underway.

Options: Make a motion to approve: 1) Implement preferred option with 2016 completion schedule; 2) Develop funding program for above implementation plan to be brought to Council through rate process.