

ELECTRIC UTILITY ENTERPRISE BOARD

March 20, 2020

1:55 PM

• CALL MEETING TO ORDER

PRESENT: Stephens, Summers, Gutowsky, Pignataro

ABSENT: Troxell, Cunniff, Gorgol

Staff Present: Atteberry (by phone), Daggett, Coldiron

1. Items Relating to the Epic Loan Program. (Adopted on First Reading)

A. *First Reading of Ordinance No. 009, Authorizing a Loan Agreement with Vectra Bank Colorado to Provide Funding for the Epic Loan Program.*

B. *First Reading of Ordinance No. 010, Authorizing a Loan Agreement with the Colorado Energy Office to Provide Funding for the Epic Loan Program.*

In 2012, the City Council established, by ordinance, the On-Bill Utility Financing Program, which is now known as the Epic Loan Program. The Program provides financing for home energy upgrades by making loans to property owners who are customers of Fort Collins Utilities. Staff is recommending the Electric Utility Enterprise borrow additional capital for the Program from two third party lenders for 15-year capital. Ordinance No. 009 authorizes the Enterprise to borrow up to \$2.5 million, under a line of credit, from Vectra Bank Colorado (Vectra Loan) as additional funding for the Program. Ordinance No. 010 authorizes the Enterprise to borrow \$800,000 at 0% interest from the Colorado Energy Office (CEO Loan) as additional funding for the Program. Fifty percent of customers to date have used longer loan terms to reduce monthly payments and/or undertake more comprehensive energy efficiency projects, making 15-year capital an essential component for the success of the Program. These items were presented at the January 27, 2020 Council Finance Committee meeting and received support for bringing these Ordinances to the Electric Utility Enterprise Board for consideration.

Blaine Dunn, Interim Accounting Director, discussed the two Ordinances, stating they approve two 15-year loans for the EPIC Home Loan program. Both loans are extremely favorable to the City and will aid in building out the full capital stack of the program. The program is a comprehensive portfolio for residents to make energy efficiency improvements to their homes.

Councilmember Gutowsky requested additional information on the program. Dunn replied the program for on-bill financing started in 2013, which was the first time Council approved using Light and Power reserves to offer on-bill financing. Additionally, the City was awarded \$1 million from the Bloomberg Mayor's Challenge and the reserves plus that award are being used alongside third party capital.

Deputy City Manager Jeff Mihelich noted this is not only a financing tool, but a tool to help landlords and renters to create a healthier living environment.

Councilmember Gutowsky commended the program and its impacts.

Councilmember Pignataro made a motion, seconded by Councilmember Gutowsky, to adopt Ordinance No. 009, on First Reading.

RESULT:	ORDINANCE NO. 009, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Julie Pignataro, District 2
SECONDER:	Susan Gutowsky, District 1
AYES:	Stephens, Summers, Gutowsky, Pignataro
ABSENT:	Troxell, Cunniff, Gorgol

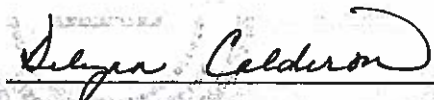
Councilmember Pignataro made a motion, seconded by Councilmember Gutowsky, to adopt Ordinance No. 010, on First Reading.

RESULT:	ORDINANCE NO. 010, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Julle Pignataro, District 2
SECONDER:	Susan Gutowsky, District 1
AYES:	Stephens, Summers, Gutowsky, Pignataro
ABSENT:	Troxell, Cunniff, Gorgol

• **ADJOURNMENT**

The meeting adjourned at 2:06 PM.

ATTEST:


Secretary




Vice President