

# **AGENDA ITEM SUMMARY**

Electric Utility Enterprise Board

September 17, 2019

## **STAFF**

---

Delynn Coldiron, City Clerk

## **SUBJECT**

---

Consideration and Approval of the Minutes of the September 3, 2019 Electric Utility Enterprise Board Meeting.

## **EXECUTIVE SUMMARY**

---

The purpose of this item is to approve the minutes from the September 3, 2019 Electric Utility Enterprise Board meeting.

## **ATTACHMENTS**

---

1. September 3, 2019 (PDF)

**ELECTRIC UTILITY ENTERPRISE BOARD**

**September 3, 2019**

**10:16 PM**

**• CALL MEETING TO ORDER**

PRESENT: Troxell, Cunniff, Stephens, Summers, Gutowsky, Pignataro, Gorgol  
(Note: Councilmember Summers left at 10:20 p.m.)  
Staff Present: Atteberry, Daggett, Coldiron

**1. Consideration and Approval of the Minutes from the July 16, 2019 Electric Utility Enterprise Board Meeting. (Adopted)**

*The purpose of this item is to approve the minutes from the July 16, 2019 Electric Utility Enterprise Board meeting.*

Vice President Stephens made a motion, seconded by Boardmember Cunniff, to approve the minutes of the July 16, 2019 meeting.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Kristin Stephens, District 4
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Troxell, Cunniff, Stephens, Summers, Gutowsky, Pignataro, Gorgol

**2. First Reading of Ordinance No. 007, Authorizing a Loan Agreement with U.S. Bank National Association to Provide Funding for the Epic Loan Program. (Adopted on First Reading)**

*In 2012, the City Council established by ordinance the On-Bill Utility Financing Program, which is now known as the Epic Loan Program (Program). The Program was established then and has been operated since to assist customers of Fort Collins Utilities (Utilities) in financing home energy efficiency, water efficiency and renewable energy improvements by making loans to customers who are property owners (Epic Loans). Funds for these Epic Loans have come from reserves in the Light and Power and Water funds (\$1.6 million). The City has also recently been awarded grants for the Program from the Colorado Energy Office (\$200,000) and from Bloomberg Philanthropies (\$688,350). At the September 3, 2019 Council meeting an increase for the current loan balance available for the Program reflecting these funds and proposed borrowings will be considered.*

*City staff is now proposing that the Electric Utility Enterprise (Enterprise) borrow additional capital for the Program from three different third-party lenders. The first of these borrowings is proposed in this Ordinance. It authorizes the Enterprise to borrow up to \$2.5 million, under a line of credit, from U. S. Bank (Bank) as additional funding for the Program. The terms and conditions for this loan are set out in the Loan Agreement attached as Exhibit "A" to the Ordinance.*

*This item was discussed at the July 15, 2019, Council Finance Committee meeting with support to bring forward this Ordinance for the Electric Utility Enterprise Board's consideration.*

Sean Carpenter, Climate Economy Advisor, stated the Epic Homes program is a comprehensive portfolio for improving the energy efficiency of single-family homes. He reviewed the history of the on-bill financing program and stated this third-party capital agreement will help scale impact for owners and renters.

Travis Storin, Accounting Director, detailed the financial aspect of the capital agreement and discussed the intersection with City policy. Considerable proactive outreach to contractors, homeowners, and rental property owners will be forthcoming assuming the Board adopts the ordinance.

Boardmember Pignataro asked if bringing on this type of debt changes the program for the users. Storin replied the program loan rates that were recently adopted in July already anticipate this debt; therefore, the rates that are in effect are already sufficient in order to meet the debt service requirements.

Vice President Stephens made a motion, seconded by Boardmember Gutowsky, to adopt Ordinance No. 007, on First Reading.

Boardmember Cunniff expressed support for the item and the Epic Homes program.

Boardmember Pignataro asked if payment plans are being considered that differ from the current plan to either pay the minimum amount monthly or pay the loan off entirely. John Phelan, Energy Services Manager, replied the loans use the utility billing system as a mechanism to service the loans and its capabilities do not allow for accelerated payments.

Boardmember Gutowsky commended the use of the Bloomberg grant in this fashion.

President Troxell commended the innovative program and its addressing of community priorities.

<b>RESULT:</b>	<b>ORDINANCE NO. 007 ADOPTED ON FIRST READING [6 TO 0]</b>
<b>MOVER:</b>	Kristin Stephens, District 4
<b>SECONDER:</b>	Susan Gutowsky, District 1
<b>AYES:</b>	Troxell, Cunniff, Stephens, Gutowsky, Pignataro, Gorgol
<b>AWAY:</b>	Summers

- **ADJOURNMENT**

The meeting adjourned at 10:30 PM.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary