

AGENDA ITEM SUMMARY

April 21, 2020

Electric Utility Enterprise Board

STAFF

Delynn Coldiron, City Clerk

SUBJECT

Consideration and Approval of the Minutes From the April 7, 2020 Electric Utility Enterprise Board Meeting.

EXECUTIVE SUMMARY

The purpose of this item is to approve the minutes from the April 7, 2020 Electric Utility Enterprise Board meeting.

ATTACHMENTS

1. April 7, 2020 (PDF)

ELECTRIC UTILITY ENTERPRISE BOARD

April 7, 2020

10:10 PM

• CALL MEETING TO ORDER

(Due to COVID-19 crisis and state and local orders to stay at home and not gather, all Councilmembers and staff attended the meeting remotely, via teleconference.)

PRESENT: Troxell, Cunniff, Stephens, Summers, Gutowsky, Pignataro, Gorgol
Staff present: Atteberry, Daggett, Coldiron

1. Consideration and Approval of the Minutes of the March 20, 2020 Electric Utility Enterprise Board Meeting. (Adopted)

The purpose of this item is to approve the minutes from the March 20, 2020 Electric Utility Enterprise Board meeting.

Vice President Stephens made a motion, seconded by Boardmember Cunniff, to approve the minutes of the March 20, 2020 meeting.

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

2. Items Relating to the Epic Loan Program. (Adopted on Second Reading)

- A. *Second Reading of Ordinance No. 009, Authorizing a Loan Agreement with Vectra Bank Colorado to Provide Funding for the Epic Loan Program.*
- B. *Second Reading of Ordinance No. 010, Authorizing a Loan Agreement with the Colorado Energy Office to Provide Funding for the Epic Loan Program.*

These Ordinances, unanimously adopted on First Reading on March 20, 2020, authorize the Enterprise to borrow additional capital for the Epic Loan Program from two third party lenders for 15-year capital. 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. 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.

Between First and Second Reading of Ordinance No. 010, approving the loan agreement with the Colorado Energy Office (CEO), revisions have been made to the loan agreement and its exhibits to clarify that the Enterprise's obligation to repay the CEO loan is to be paid only from the Electric Utility's "Net Pledged Revenues," as this term is now defined in the CEO loan agreement. Revisions have also been made to clarify that the Enterprise's obligation to repay the CEO loan shall be on parity with the Enterprise's obligations to repay the existing U.S. Bank loan and the proposed Vectra Bank loan, but subordinate to the Enterprise's obligation to repay the bonds issued in 2018 for Connexion.

Vice President Stephens made a motion, seconded by Boardmember Summers, to adopt Ordinance No. 009, on Second Reading.

President Troxell commended the EPIC program.

Boardmember Cunniff echoed the comments and noted this item was under certain time constraints that necessitated its consideration.

RESULT:	ORDINANCE NO. 009 ADOPTED ON SECOND READING [UNANIMOUS]
MOVER:	Kristin Stephens, District 4
SECONDER:	Ken Summers, District 3
AYES:	Troxell, Cunniff, Stephens, Summers, Gutowsky, Pignataro, Gorgol

Vice President Stephens made a motion, seconded by Boardmember Cunniff, to adopt Ordinance No. 010, on Second Reading.

RESULT:	ORDINANCE NO. 010 ADOPTED ON SECOND READING [UNANIMOUS]
MOVER:	Kristin Stephens, District 4
SECONDER:	Ross Cunniff, District 5
AYES:	Troxell, Cunniff, Stephens, Summers, Gutowsky, Pignataro, Gorgol

- **OTHER BUSINESS**
- **ADJOURNMENT**

The meeting adjourned at 10:24 PM.

President

ATTEST:

Secretary