

City Light Advisory Board Meeting
March 16, 2004, 8:30 am – noon
Boards & Commissions Conference Room

MEETING SUMMARY

Board members present: Jay Lapin, Donald Wise, Sara Patton, Randy Hardy

Also present: Ingrid Rasch (Rates Advisory Committee), Jorge Carrasco (Superintendent City Light), Dana Backiel (City Light), Carol Butler, Tom VanBronkhorst (Legislative), Thomas Dunlap, (Department of Finance), Alec Fiskien, Julie Tobin (Office of Policy & Management)

Board Business

- Ingrid Rasch is the Rates Advisory Committee liaison to the Board and will regularly attend City Light Advisory Board meetings to strengthen the working relationship between the two citizen groups.
- Councilmember Jean Godden, Chair of the Environmental & Energy Policy (EEP) Committee stopped by to personally thank the Board for their report. She introduced her staff person Tom VanBronkhorst. The Board would like to improve communication with the Council and in particular the EEP Committee. Tom will attend Advisory Board meetings whenever possible. Board members should feel free to call Councilmember Godden with suggestions when issues arise. Don Wise asked Jay Lapin to assume Maura O'Neill's role as Board "point person" to assure coordination between the Council.
- Due to increasing demands on her time Maura O'Neill has resigned from the City Light Advisory Board. The Board members expressed their appreciation for Maura's hard work and contribution. Councilmember Godden asked that suggestions for a replacement be given to Carol Butler. The EEP Committee will initiate the recruitment of a new candidate during a regular committee meeting.

Superintendent's Update

- The Board welcomed Jorge Carrasco, City Light Superintendent.
- Last week the Superintendent and the City Light executive team held a two-day session to address priorities, preceded by interviews of the executive team. The sessions established that the most significant priorities facing the organization coincide with the Board's report recommendations. City Light is now in the process of setting priorities and putting together performance plans. The Board suggested that Jorge should feel free to share the top five priorities with them.
- The City Light employee survey participation rate was 74 percent, which is higher than expected. The Board recommended that the City Light executive team communicate the survey results and analysis back to the workforce as publishing the results will send a good message. The Board also recommended that Jorge look at two Bonneville Power Administration (BPA) survey documents as an example of good value derived from a survey. Sara Patton will get the BPA documents to Jorge. A suggestion was made that the new Superintendent spend part of the first six months with the work force in the field to better understand the perspectives from various parts of the organization.
- There are emerging issues regarding the environmental learning center being built at Skagit. City Light will ascertain how to get the project completed as close to budget as possible.
- The Board stated their first workplan priority is to support the Superintendent. In the past, briefings by the City Light executive team and other staff have proved very helpful. The Board would like to continue that process in 2004 and dedicate sometime at each meeting for a quick tutorial.
- The citywide budget process has started and a 2005/6 budget will be submitted to the Mayor then Council in September 2003. The Superintendent will develop a plan to involve the Board in the budget process. The Advisory Board also recommended that City Light, the Executive and the Council need to better coordinate their schedules to avoid duplication of workplans.

Rates Advisory Committee (RAC)

- Alec Fiskken and Ingrid Rasch gave an update on the work of the Rates Advisory Committee (RAC). The goal is that the RAC and Advisory Board work on separate issues so that the two groups avoid duplication of effort. Ideally, the RAC will focus on cost allocation and rate design and the Advisory Board will maintain focus on financial policies, with good communication between the two groups. Alec will give this message at the next RAC meeting. Alec is also trying to coordinate the timing of the RAC workplan with the budget process and Council deliberations so that the workplan stays relevant. The RAC may move to weekly meetings. Carol Arnold will continue in the lead role of coordination between the Board and the RAC. Don Wise thanked the RAC for taking on the cost allocation issue.

Report Feedback and Discussion

- Carol Butler handed out the Council Energy & Environmental Policy Committee work program.
- The schedules for the citywide budget process, rate setting and Council workprogram are not coordinated, which may result in confusion and a duplication of work for City Light. Also, these competing deadlines do not take into account that the new City Light Superintendent is just starting to engage his own staff in decision making and development of a workprogram. Therefore, the Board recommended that a phased integrated schedule be developed in a project management format, stating roles, responsibilities and timelines. Alec Fiskken will work with the legislative branch, Department of Finance and the Rates Advisory Committee to put this schedule together for Jorge Carrasco and the Board. The Board elected a sub group, Jay Lapin and Carol Arnold, to become involved in the workprogram schedule and discussion once there is more clarity around the issue. Jay Lapin will follow up with Carol Arnold on this request.
- Alec Fiskken handed out the Mayor's Response to the Advisory Board's report.
- The City Light executive team is in sync with the Board's recommendations. There is consensus of what City Light needs to focus on and they want to develop a workprogram in concert with the other processes so that all are working in tandem.

Advisory Board Workplan (attached)

Other follow up items

- The Advisory Board would like to be briefed on South Lake Union at a future meeting. Julie Tobin will get the SLU documents from Bob Royer to distribute to the Advisory Board.
- Names of possible candidates for the Advisory Board should be forwarded to Julie Tobin.
- The next meeting is April 6. Randy Hardy will not be available. Julie Tobin will check other Board members attendance to ensure a quorum.

2004 Advisory Board Work Plan

Tasks	Board Member Lead	Comments
1. High Performance Organization		
• Support Strategic Planning	Jay Lapin/Don Wise	
• Support Asset Management (or equivalent) for Capital and Operations	Jay Lapin/Don Wise	Jorge Carrasco will initiate
• Review existing organization, resources and tools	Jay Lapin/Don Wise	
• Review and benchmarking of the City's oversight and control systems for City Light	Jay Lapin/Don Wise	Consultant/intern – Alec Fisken
2. Integrated Resources Planning		
• Review planning resources and tools	Randy Hardy/Sara Patton	Jorge Carrasco will initiate
• Support Klamath "mini-IRP" process and decision	Randy Hardy/Sara Patton	Planning process started. SCL staff will meet with Randy and Sara
• Support review of 95% coverage policy	Randy Hardy/Sara Patton	Do in parallel with mini IRP process
3. Financial Policy		
• Support amendments to Financial Policy recommended in Report	Don Wise/Jay Lapin	
• Support development of target for "rate advantages of public power"	Don Wise/Jay Lapin	
• Liaison with Rate Advisory Committee; participate in 2004 Rate Process	Carol Arnold/Jay Lapin/Alec Fisken	
• Review City Light payments to City	Jay Lapin	Jorge Carrasco will share results of his information request to SCL staff
4. Risk Management		
• Review Risk Metric and Limits for wholesale power sales	Carol Arnold/ Sara Patton/ Randy Hardy	
• Review options involving financial and physical hedges		
• Review organization and sufficiency of Risk Management resources		
5. Other		
• Support new Superintendent	All	
• Enhance communications between City Light and Council	Jay Lapin	Board to meet with central staff casually
• Review worker safety at City Light	Don Wise	Requested Board meeting presentation. Compare statistics to national average.
• Review relationship with and strategy for BPA	Randy Hardy/Sara Patton	
• Review transmission issues and regional transmission entities	Randy Hardy/Sara Patton	
• Review security and anti-terrorism measures	Carol Arnold	Requested presentation.
• Meet with City Light employee groups	Sara Patton/Carol Arnold	Jorge Carrasco will coordinate
• Reach out to community and interest groups	Sara Patton/Carol Arnold	
• Support enhanced City Light regional leadership	Randy Hardy/Jay Lapin	Mayor would like updates.
• Assess adequacy of Board staff support and appropriateness of reimbursement of Board expenses	Don Wise	Stipend, report drafting/development and research. Alec Fisken will support.