

**City Light Advisory Board Meeting
October 4, 2005, 8:30 – 11:30 a.m.
MEETING SUMMARY**

Board members present: Carol Arnold, Jay Lapin, Sara Patton, Gary Swofford

Also present: Jorge Carrasco, John Prescott, DaVonna Johnson, Danny Melgoza (City Light), Carol Butler (Legislative), Alec Fiskens, Julie Tobin (Office of Policy & Management)

Strategy for Compensation Ordinance and Management Flexibility Initiative

The Ordinance establishing an electric utility compensation program has been forwarded to Council. Councilmember McIver is expected to introduce the legislation as part of the budget process. At the Advisory Board's request Superintendent Carrasco gave an overview of the legislation and agreed to send Advisory Board members and Councilmembers a copy of the Mercer report on utility executive compensation. Board members are agreed that the ordinance is a step toward their management flexibility recommendations and will send a letter of support to Councilmembers. Carol Arnold will draft the letter and Randy Hardy will edit. Carol Butler will be presenting City Light budget issues to the Council Budget Committee on Friday October 14. The letter should not go out until after October 14. The Superintendent offered to provide an additional briefing for Board members. Board members mentioned it might be a good idea for the Superintendent to brief the Chamber Utilities Committee on the subject.

Superintendent's Report

- Weather report. (Handout)
- Bonneville Power Administration (BPA) Pass Through Ordinance. Over the last year costs have been running lower than projected and effective November 1 BPA will adjust their rate to a 2-2.5% decrease.
- Fish. Preliminary indications show a good run of salmon, perhaps the best in 50 years. Sara Patton attributed this good news to City Light's efforts to improve Skagit operations.
- Gridwest. BPA did not make a decision on September 29. City Light are continuing to work with other utilities on the next steps.
- Energy bill. There is a possibility of another Federal energy bill to deal with high energy prices. Board members advised that the utility might want to develop a scenario of how a national energy crisis might affect City Light.

High Performance Organization

John Prescott gave a brief update on progress. The Advisory Board commented that they very much appreciated John's service, both to the Advisory Board and City Light. The Superintendent seconded that opinion and also recognized the work of Bea Hughes, Hardev Juj, Steve Call and DaVonna Johnson.

Strategy for Public Involvement

The Advisory Board would like to have a proposed public outreach framework for utility, with Mayor and Council approval. Sara Patton gave an update of her meeting with Bob Royer, Janice Boman, Lucy Steers and Susan Hall. All have expressed their willingness to help with the project. Janice Boman is putting together an outline to be ready next week. Sara Patton will

work with City Light staff to identify resources within City Light and bring to the November 1 meeting.

Annual Report

The Board members discussed the draft report outline. Writing assignments were made as follows:

Financial policy – Jay Lapin
Governance section – Jay Lapin
Public participation – Sara Patton
Resource management – Randy Hardy with support from Sara Patton
High performance – Carol Arnold
Risk management - ?
Management flexibility – Gary Swofford based on Randy Hardy's earlier draft.

It was mentioned that a City Light self assessment scorecard using the Board's first annual report as a baseline would be helpful. City Light will provide a progress report at the next meeting and the Advisory Board can use it as they wish.

November Meeting Agenda

- Strategic Planning – Steve Call
- Strategy for Public Involvement – Sara Patton
- Follow up to Blue Ribbon Panel meeting – Carol Arnold/Jay Lapin
- Annual Report – Review Draft