

City Light Advisory Board Meeting
October 5, 2004, 8:30am – 11:30 am
Boards & Commissions Conference Room
MEETING SUMMARY

Board members present: Don Wise, Jay Lapin, Sara Patton, Carol Arnold, Randy Hardy

Also present: Jim Ritch (City Light), Thomas Dunlap (Department of Finance), Julie Tobin (Office of Policy & Management)

City Light Update (Jim Ritch)

Nucor. Mediation is scheduled for October 28.

Employee Survey. The strategy team started their work program and will make recommendations by November 15.

Operations report. The Board suggested that the current format of the City Light monthly operations report might lead to the content being misunderstood by some audiences, and in turn enhance the disconnect between policy makers on what is good and bad performance. It was recommended that metrics be developed that are consistent with City Light's financial policy and strategic plan, clearly portray City Light's long term objectives, with a forecast that shows how to get there. The metrics should be both an annual and long term strategic snapshot. The monthly report should reflect those metrics, along with analysis and include the long term perspective. Perhaps develop a cash flow report, rolling 5 year and rolling 10 year reports. This will enable the audience to see the long term picture, not just the short term problem. This issue will be addressed in the Board's annual report. Jim Ritch agreed to forward Sara Patton more detail on the short-term purchases noted in the Income Statement.

Financial Policy

Board members will review the legislation regarding financial policies and get their comments to Jay Lapin by October 13. Jay will compile the comments, clarify Council's schedule for the legislation and circulate a document outlining the comments and next steps to Board members for review. There was some concern regarding forthcoming legislation on a charter amendment. While the draft legislation supports the Board's recommendation for a contingency reserve fund, Board members have reservations that a charter amendment is the appropriate method of creating that reserve.

City Light Budget Proposal

City Light will forward additional budget information regarding the Power Council and Bonneville and CO2 mitigation to Sara Patton.

The Board reviewed the notes on a coordinated review of City Light's budget, revenue requirements, and rate structure, and is supportive of this process moving forward.

Governance Best Practices

Jay Lapin gave a quick update on the status.

Advisory Board Annual Report

Don Wise will incorporate Board member comments into the proposed annual report work plan and schedule and re-circulate.

Jay Lapin will take the lead on flushing out the outline and drafting the introduction, overview and conclusion.

Board members will draft the same sections they completed last time.

Julie Tobin will either be the resource, or identify a resource to compile, edit and format the report.

Timetable for Annual Report

November 2	Board meeting. Detailed outline to be discussed.
December 7	Complete 1 st draft of sections. Send to Julie Tobin to compile and format
December 14	Board meeting. Review 2 nd draft of compiled report
December 17	Complete 3 rd draft incorporating changes, circulate for review
December 21	Complete 4 th draft incorporating comments, possible review meeting
December 21 – January 11	Constituent review
January 11 – 18	Incorporate comments and finalize
January 18	Board meeting. Final draft
January 24	Distribute final report

Northwest Power & Conservation Council

The draft plan was issued on September 22. Hearings are scheduled for October 12 in Missoula and November 10 in Seattle. City light staff will prepare testimony and pass it by Sara Patton and Randy Hardy.

Summary of Follow up Items

- Monthly Report. Jim Ritch agreed to forward Sara Patton more detail on the short-term purchases noted in the Income Statement
- City Light IRP. Randy Hardy and Sara Patton would like some follow up on this issue and requested a meeting with City Light staff.
- Risk management. Carol Arnold and Randy Hardy would like to meet with the Consultant for a status report within the next two weeks.
- Northwest Power & Conservation Council Hearings. City Light staff will prepare testimony and pass it by Sara Patton and Randy Hardy.
- Don Wise will draft letter of response to the EEP Committee and circulate to Board members for review.

November Agenda (Brief updates, not presentations)

- Organizational priorities - Update on the progress (Superintendent Carrasco)
- Grid West - Update on City Light's position (Superintendent Carrasco)
- IRP – Update on status of consultant hiring for IRP (City Light staff)