



APPROVED 8/23/23

MINUTES
City of Tacoma
Public Utility Board Study Session
July 26, 2023
3:00 p.m.

Vice-Chair O'Loughlin called the Public Utility Board study session to order at 3:00 p.m. in the third-floor conference room (LT1) of the Public Utilities Administration Building.

Present: William Bridges, Elly Claus-McGahan, John O'Loughlin

Excused: Carlos Watson

Extension of MOU with Neighborhood and Community Services and Tacoma Power for Use of Property for Temporary Mitigation/Stabilization Site

Director Flowers made introductory remarks and summarized Motion 21-09, which established the original memorandum of understanding. This property, located at 82nd and Pacific, is surplus to Tacoma Power's need. Caleb Carbone, Homeless Strategy Systems and Services Manager, summarized the City's homeless strategy and goals. The operational site started in May of 2022 and served 114 total clients. Fifty-one clients have exited into permanent housing. The site has been at or near capacity since opening. The City is requesting to extend the memorandum of understanding to continue use at this property with a plan to cease operation no later than August 2024.

Tacoma Power: Mary Bridge Children's Hospital Substation

Chad Edinger, T&D Electrical Services Mgr, explained that MultiCare is beginning construction of a new Mary Bridge Children's Hospital, a medical office building, and two new parking garages in Tacoma. The completion of the utility work through this agreement will allow for the construction of all four buildings and necessary utility work that includes: reconductoring overhead distribution lines for higher loads, removing a pad-mount switch, removal of existing services to buildings to be demolished, installation of new vaults and wire, and installation of primary meters, a transfer switch, and transformation. This agreement is customer-funded with a total project cost of \$1,560,585 and future work will be required, under a separate installation agreement, that will allow for the construction of additional customer-funded facilities for permanent service. A graphical representation of the construction site was shared with the Board.

Tacoma Water: Partner Projects Update

Jessica Knickerbocker, Water Division Manager, described the process by which Tacoma Water partners with other agencies. The steps involved are: 1) partner makes a request; 2) decision made; 3) primary partnership agreement created; 4: design and project bid; 5) secondary partnership agreement created; 5) construction commences. The project process involves long range planning, capital planning, budgeting, contracting, project implementation, and project closeout. The cost benefit of the project is based on economic modeling (risk vs. replacement costs); future system needs using hydraulic modeling; condition assessment; risk-driven prioritization based on likelihood and consequence of failure; and engineering judgment. Primary partnerships and secondary partnership agreements, complex coordination with other utilities, and restoration savings were reviewed.

TPU Strategy Update

Director Flowers reviewed the TPU mission and vision statements. Mission: Tacoma Public Utilities provides clean, reliable, affordable services essential to quality of life. Vision: We will be an exceptional community partner, where employees thrive, so we can deliver the best utilities to our customer. Values and value definitions were then detailed. The five values are: Belonging; Customer-Focus; Integrity; Respect; Safety. The final objectives are: Employee Experience (provide employees a work environment where they feel like they belong and want to stay); Customer Experience (implement a unified customer experience strategy and organization to provide equitable customer experience and stakeholder engagement); Operational Excellence (improved shared service delivery so that processes are clear and more efficient). The launch of this strategy is planned for mid-September. Communication will be implemented September through December. The plan will be implemented in January 2024.

Strategic Directive Seven (SD7, Reliability and Resiliency Update)

Board Member Bridges reported that he met with subject matter experts on this strategic directive to seek input on recommended changes. The result was changes to measurements two and five which if approved by the Board would read: Using the Water Yield and Supply Demand Model (WYSMD), developed with the 2018 Water Integrated Resource Plan (IRP) and regularly updated, the long-term mix of supply resources to meet the Resource Adequacy Standard shall be identified annually; and TPU will track all emergency responses based on TPU's incident classification scheme, Tiers One – Four, respectively. These updates will be brought forward to the Board at a future meeting for consideration.

Board discussion on the Board's role and approach to editing SDs and possibly renaming SDs to reflect guidance instead of directive ensued.

General Board Comments/Discussion and Director's Reports

Director Flowers reviewed the two recognitions for Water employees on the evening agenda. Director Flowers reported that staff is working on the Board budget workshop agenda and edits to Strategic Directives Two and Three.

Mr. O'Loughlin reported on a developers' roundtable held with Council Members Daniels and Hines on the topic of constructing affordable housing and TPU's possible roles to support this effort.

Adjournment

The study session was adjourned at 5:28 p.m.

Approved:



Carlos Watson, Chair



William Bridges