



# City of Tacoma City Council Study Session Minutes

747 Market Street, Tacoma WA 98402

City Council Chambers

October 16, 2018

12:00 PM

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## JOINT MEETING WITH THE PUBLIC UTILITY BOARD Change of Location

### Call to Order

Mayor Woodards called the joint meeting to order at 12:14 p.m.

**Present:** 9 - Beale, Blocker, Camarata, Hunter, Ibsen, McCarthy, Mello, Ushka and Mayor Woodards

Public Utility Board Members:

Present: 4 - Cooley, Flint, Jones, and Patterson

Absent: 1 - Larkin

### Joint City Council / Public Utility Board Briefing Items

1. [18-1225](#) Tacoma Public Utilities 2019/2020 Proposed Budget and Rates Presentation

Mayor Woodards and Public Utility Board (PUB) Chair Jones provided introductions. Jackie Flowers, Director, Tacoma Public Utilities (TPU), gave opening remarks and presented TPU's proposed budget and rates, including TPU's focus and planning, public outreach communications, bill payment assistance, and the biennial budget outline.

Chris Robinson, Power Superintendent, TPU, presented the proposed budget and rates for Tacoma Power, including budget comparisons, assumptions, risks, mitigation, expenditures, and revenue; Click! Network (Click!) proposed budget and rate increases; rate adjustments; capital budget; debt service; financial planning, including a proposed 2 percent system average rate increase in 2019 and 2020; and proposed rate adjustments and impacts on various classes of power customers. He concluded with residential bill comparisons and a summary of the proposed budget and rates.

Discussion ensued regarding the improved budget presentation style and

accessible language used, staff vacancy rate assumptions, transitional budget proposal for Click!, year-over-year comparisons, purpose and impacts of using contractors, and increased budgeting for bill payment assistance.

Scott Dewhirst, Water Superintendent, TPU, presented the proposed budget and rates for Tacoma Water, including budget comparisons, assumptions, risks, mitigation, expenditures, revenue, rate adjustments, capital budget, debt service, financial planning, impact of rate adjustments on customers, and residential bill comparisons. He concluded with a review of public fire protection services and a summary of the proposed budget and rates.

Discussion continued regarding staff vacancies, comparisons to the previous budget, and expectations for the future.

Dale King, Rail Superintendent, TPU, presented the proposed budget and rates for Tacoma Rail, including budget comparisons, assumptions, risks, mitigation, expenditures, revenue, rate adjustments, capital budget, and debt service. He continued with a line haul rate analysis, including the expected impact on rates; financial planning; a review of historical tariff rates; and concluded with a summary of the proposed budget and rates.

Discussion continued regarding rail traffic and rates comparison between Tacoma and Seattle, oil spills, and the self-insurance fund.

Director Flowers concluded with an overview of financial policy updates.

Discussion concluded regarding the rate-setting and budget process, Click! budget, public and staff involvement; return on investment; and advanced metering infrastructure.

The joint study session adjourned at 1:49 p.m.

The study session recessed at 1:49 p.m. and the regular study session reconvened at 2:07 p.m.

## City Council Briefing Items

### 2. [18-1226](#) Environmental Services Budget Presentation

At approximately 2:07 p.m., Mike Slevin, Director, Environmental Services (ES), gave introductory remarks and presented the ES proposed 2019-2020 budget, including an overview of ES programs, major accomplishments and outstanding challenges from 2017-2018, funding, expenses, revenue rates, average residential customer costs, and residential monthly bill comparisons.

He concluded with a review of goals and major initiatives.

Discussion ensued regarding equity, job training programs, low income assistance, outreach materials, side sewer initiative, recycling markets and possible future surcharges, impacts of rate increases and reduction programs, and investigating monthly billings.

## Other Items of Interest

3. [18-1227](#) Council Consideration Request - Researching and Proposing Options for a Tacoma Renters Commission

Council Member Camarata presented his request to research and propose options for a Renters Commission.

Discussion ensued regarding the process, the difference between a commission and task force, and the timeline.

## Committee Reports

There were no Committee reports given.

## Agenda Review and City Manager's Weekly Report

4. [18-1228](#) Weekly Report to the City Council, October 11, 2018

City Manager Pauli stated that tonight's agenda includes two proclamations, proclaiming October 18, 2018 as International Conflict Resolution Day and October 2018 as Domestic Violence Awareness Month, and a recognition for the Hilltop Library Planning Committee. She further stated there are no changes expected to the meeting agenda.

## Adjournment

There being no further business, the study session was adjourned at 3:07 p.m.

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Victoria R. Woodards, Mayor

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Doris Sorum, City Clerk