



APPROVED 7-10-19

MINUTES
 City of Tacoma
 Public Utility Board Study Session
 June 26, 2019
 3:00 p.m.

Mr. Jones called the Public Utility Board study session to order at 3:00 p.m. at the Public Utilities Administration Building.

Present: Woodrow E. Jones, Jr., Mark Patterson, Bryan Flint; Karen Larkin, Chrissy Cooley (arrived 3:20)

Moss Adams Exit Conference

Olga Darlington, Partner with Moss Adams, stated that Moss Adams has completed the audit of the 2018 financial statements for Power, Water, and Rail using government auditing standards. Areas of audit emphasis were internal control environment, treasury, capital assets, debt activity, net pension, and revenues/expenses. The auditors have issued a clean, unmodified opinion with no material weaknesses in internal controls found.

TPU Fleet Overview

Don Ashmore, Fleet Manager, began with an overview of Fleet Services. The Fleet shop operates five days a week and is on call 24-hours a day, 7 days a week. Fleet manages 1,200 vehicles with a \$14M budget and a staff of 28 full-time employees. There have been challenges in Fleet Services: Turnover of Fleet management in recent years; Backlog of vehicle replacements; Inconsistent practices across different divisions; Dated policies, procedures, and ordinances; and Difficulty in accessing data and information. A Fleet utilization study was engaged to review and evaluate existing operations and practices and to analyze and evaluate the number and type of vehicles supporting TPU operations. Another planned outcome was to develop reports and identify gaps and areas for improvements and recommend industry best practices. A Fleet Advisory Committee was established. The committee identified and declared surplus over 25 pieces of equipment and established a review process for additions and replacements. A fuel management system was implemented and several opportunities to share existing equipment was identified. On the environmental front, TPU joined the West Coast Electric Fleets initiative and committed to three percent of the annual fleet vehicle purchases to zero emission vehicles. Every new vehicle purchased is evaluated to meet operational and environmental goals. Staff will continue to make progress and improve processes with communication across all divisions and develop and report on key performance indicators that reflect operations. Staff will seek both Board and Council approval to update the existing fleet ordinances to bring it into alignment with the recommended efficiencies.

10376 Discussion of Board Policies

Board Member Patterson provided an overview of his draft Strategic Directives (SD) for Financial Sustainability and Rates, SD2 and SD3. The Board engaged in discussion on the level of detail to incorporate in each of these policies. The Board agreed to provide comments to the Clerk by noon on Wednesday, July 3. The Board office will then compile the input in redline version and send it back to the Board on Friday, July 5 and then to the staff subject matter experts for comments.

Miscellaneous

Board Member Larkin reviewed the process and timeline for Director's performance evaluation, which should be completed by August 1, 2019.

In response to a Board request, Cecily Hutton, Labor Negotiator, provided additional details on the two labor items on the evening Board agenda. Ms. Hutton provided background on the suggested changes to the CDL requirements and the elements in place relative to the impacts of the Janus court decision. Staff is working with Local 483 to develop successor language instead of waiting for every collective bargaining agreement to reopen. Ms. Hutton added that when the court decision goes into effect in July to opt employees out of the union, it is the union that accepts or denies the request. The payment or cancellation of dues is triggered by notification to the city by the union.

Adjournment

The study session was adjourned at 5:28 p.m. until the next regularly scheduled study session on Wednesday, July 10, 2019 at 3:00 p.m.

Approved:

Approved:



Karen Larkin, Chair



Mark Patterson, Secretary