

APPROVED 1-10-18

MINUTES
 City of Tacoma
 Public Utility Board Meeting
 December 13, 2017
 6:30 p.m.

Ms. Trudnowski called the Public Utility Board meeting to order at 6:30 p.m. at the Tacoma Metro Parks Auditorium.

Present: Mark Patterson, Woodrow E. Jones, Jr., Monique Trudnowski, Bryan Flint, Karen Larkin

The meeting was quorate.

Minutes of the Previous Meetings

Mr. Jones moved that the minutes of the previous meetings be adopted; seconded by Ms. Larkin. Voice vote was taken and carried. The minutes were declared adopted.

Recognitions

There were no recognitions.

Comments from the Public

Mr. John Vick addressed the Board with concerns regarding a utility bill dispute. The Board thanked Mr. Vick and informed him that staff would research his concerns and provide a response to the issues outlined.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

- D-1 Resolution U-10977 – Award contracts and approve purchases:
1. Award three-year contract to Electric Research & Manufacturing Cooperative for the purchase of 15kV three-phase, pad-mounted transformers on an as-needed basis (\$1,953,692, plus the option for two additional one-year renewal periods for a cumulative total of \$3,315,350, plus sales tax);
 2. Increase contract to Alden Research Laboratory for hydraulic balancing services supporting the Cowlitz Hydroelectric Project license implementation at the Cowlitz Falls North Shore Collector (\$191,100, sales tax not applicable. Cumulative total \$390,900, sales tax not applicable);
 3. Award contract to Prospect Construction, Inc., for the construction of the Cowlitz Falls Fish Facility remodel (\$4,399,988, plus applicable sales tax);
 4. Award three-year contract to Camis, Inc., for reservation services for Tacoma Power's campgrounds (\$360,000, sales tax not applicable);
 5. Award contract to Rognlins, Inc., for the Potlatch Transmission Line – Henderson Bay site work and foundations (\$474,516.86, plus sales tax);

6. Increase contract to Columbia Energy & Environmental Services to provide adequate funds for continued structural steel fabrication and delivery through July 24, 2019 (\$100,000. Cumulative total \$300,000, plus applicable sales tax);
7. Increase contract with System Innovators, dba N. Harris Computer Corporation, for continued annual proprietary software and hardware maintenance for the cashiering system (\$150,000, plus applicable tax; \$576,935.99, plus applicable sales tax);
8. Award contract to Citybase, Inc., for replacement of the remote pay station kiosks for payment of utility accounts (\$339,902, including implementation and \$62,656 annually for three years of software and hardware maintenance and support for a total of \$527,870, plus applicable taxes).

Mr. Jones moved to adopt the resolution; seconded by Ms. Larkin.

In response to a Board request for additional background on item number two, Keith Underwood, Natural Resources Manager, explained that the original collector configuration of 500 cubic feet per second (CFS) caused screens to fall off the collector so water is being bled out and a lesser amount of CFS is going to the fish. This resolution provides for expertise to balance the facility to run at 750 CFS and 1000 CFS so the screens that are pulling the water off will have baffles that allow the water to go through. The baffling needs to be tested and reset. Once they're balanced, they can be computerized and the baffling system automated.

In response to a Board request on item number three for an update on the Cowlitz project, Mr. Underwood explained that the new collection facility at the Cowlitz is operating effectively with increased fish collection efficiency. The adaptive management part of collection is working well. Last year was an above water year and more fish were collected than in previous years. Usually there is a lower collection in above water years, so that is a positive. Staff will continue to monitor collections.

In response to a Board inquiry on item number four about the current contract expiration date and the timing of the vendor change for parks reservations, Mr. Underwood stated that even though the current park reservation system doesn't expire until October 2018, the reservation system provides the opportunity to book park sites nine months in advance so we had to examine options nine months in front of any decision. Currently, Tacoma Power is on a contract with Washington State parks and due to system and policy incompatibility, the state wants to remove Tacoma Power parks from their system by July 1. This contract is for three years, but the right to cancel the contract earlier exists.

In response to a Board inquiry on item number six regarding the higher pre-bid estimate, Steve Fairchild, Engineer, stated that six bids very close in price were received. The estimate was based on other similar projects and other companies were contacted to verify the pre-bid estimates. There is no concern as this company has worked well in the past.

In response to a Board request for clarification between items number seven and eight, Mike Hill, Customer Service Operations Manager, stated that item seven concerns software and hardware for cashiering and item eight is the actual paybox devices. The payboxes integrate with MyAccount. Mr. Hill stated the new payboxes will accept cash, credit cards, checks, and will be able to monitor real-time intake of payments.

Voice vote was taken and carried. The resolution was declared adopted.

- D-2 Resolution U-10978 – Authorize execution of a collective bargaining agreement negotiated between the City of Tacoma and the District Lodge #160 on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit.

10132 Mr. Jones moved to adopt the resolution; seconded by Mr. Larkin.

Corey Moriyama, Labor Negotiations Manager, summarized the resolution. The agreement covers approximately five FTE budgeted positions within the Rail division and is anticipated to be considered by Council on January 2, 2018. The agreement covers three years and provides for increases in each year and a one-time lump-sum payment of \$1,000 to each employee in the yard clerk classification.

Voice vote was taken and carried. The resolution was adopted.

D-3 Resolution U-10979 – Authorize Tacoma Power and Tacoma Water to amend policies to support the proration of fixed charges based on actual days of service and not an entire month.

Mr. Jones moved to adopt the resolution; seconded by Mr. Larkin.

Sean Senescall, Rates and Financial Planning Manager, summarized the resolution which would amend policies and code to support the proration of fixed charges. Under the current practice, Tacoma Water and Tacoma Power customers pay fixed charges in full, even when they receive service for only a portion of a month.

In response to a Board inquiry regarding the financial impact of this resolution, Mr. Senescall stated it is \$1.2M for both Power and Water. Environmental Services prorates their fixed charges and this aligns with that practice.

Voice vote was taken and carried. The resolution was adopted.

D-4 Resolution U-10980 – Authorize payment of the Western Electricity Coordinating Council, North American Electric Reliability Corporation, and Western Interconnection Regional Advisory Board statutory costs for 2018.

Mr. Jones moved to adopt the resolution; seconded by Mr. Larkin.

Twila Hofer, Management Analyst, summarized the resolution. Tacoma Power's share of the 2018 statutory costs for the Western Energy Coordinating Council, North American Electric Reliability Corporation, and Western Interconnection Regional Advisory Board was calculated in accordance with the established rule of procedure, and approved by the appropriate governing bodies for each entity and their budgets and allocations were approved by the Federal Energy Regulatory Commission on November 1, 2017. The total amount for all three agencies is \$219,316.

Voice vote was taken and carried. The resolution was adopted.

D-5 Resolution U-10981 – Authorize payment of the Peak Reliability final funding amount for 2018.

Mr. Jones moved to adopt the resolution; seconded by Mr. Flint.

Twila Hofer, Management Analyst, summarized the resolution, which authorizes payment of Peak final funding in the amount of \$268,218 for Tacoma Power's portion of the 2018 reliability coordination services costs in accordance with section 4.3 of the reliability coordinator funding agreement.

In response to a Board inquiry regarding the full funding amount, Byron Williamson, Reliability and Compliance Manager, stated that Tacoma Power is in the fifth year of funding on the agreement and the funds have been settled for the year, so the amount requested is final.

Voice vote was taken and carried. The resolution was adopted.

H. Reports of the Director

H-1 October cash projections for Power, Water, Rail

H-2 October financials for Power, Water, Rail, Fleet, Self-Insurance Fund

I. Comments by the Board

Board Members wished all a very happy holiday season and safe new year.


Chair Trudnowski announced there will be a public hearing at the January 10 Board meeting to take input on the recruitment of the next Director of Utilities.

Chair Trudnowski thanked Metro Parks for the use of their facilities and announced that the regular evening meetings will be returning to Tacoma Public Utilities in January.

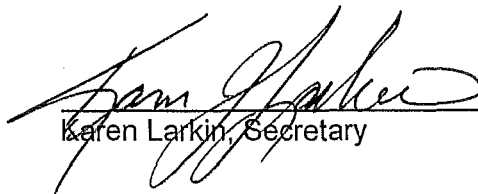
J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 7:15 p.m. until Wednesday, January 10, 2018 for a study session beginning at 3:00 p.m. at Tacoma Public Utilities, followed by the regular meeting at 6:30 p.m. at Tacoma Metro Parks Headquarters.

Approved:



Monique Trudnowski, Chair



Karen Larkin, Secretary