



City of Tacoma

Government Performance and Finance Committee Minutes

747 Market Street Tacoma, WA 98402

Conference Room 248

March 18, 2015

4:30 PM

Chair Joe Lonergan, Vice Chair Marty Campbell,
Mayor Marilyn Strickland, Robert Thoms, Anders Ibsen (alternate)

Call To Order

Chair Lonergan called the meeting to order at 4:35 p.m.

Present: 3 - Campbell, Lonergan and Thoms

Absent: 1 - Strickland

Approval of Minutes

- 1. 15-0261** Approval of the minutes of the meeting of February 18, 2015

MOTION: Council Member Campbell moved to approve the minutes of the meeting of February 18, 2015.

SECONDED BY: Council Member Thoms.

ACTION: Voice vote was taken and carried. The minutes were approved.

Ayes: 3 - Campbell, Lonergan and Thoms

Absent: 1 - Strickland

Briefing Items

- 3. 15-0263** Landis + GYR 10 Year Franchise Renewal [Jeff Lueders, TV Tacoma Franchise Services Manager]

At approximately 4:35 p.m., Jeff Lueders, TV Tacoma Franchise Services Manager, reviewed the proposed Landis + Gyr Midwest, Inc. 10-year renewal, including background history, provider services, legislation, and next steps. Discussion ensued regarding overhead utilities, power pole locations and undergrounding, light poles, automatic renewals, timeline for undergrounding utilities implementation, and setting criteria for undergrounding.

Council Member Campbell requested a future presentation regarding undergrounding power lines and information regarding franchise agreements relative to undergrounding utilities.

MOTION: Council Member Campbell moved to forward the license agreement with Landis + Gyr Midwest, Inc. to the full Council for consideration.

SECONDED BY: Council Member Thoms.

ACTION: Voice vote was taken and carried. The motion was declared adopted.

Ayes: 3 - Campbell, Lonergan and Thoms

Absent: 1 - Strickland

4. **15-0264** Tax Amnesty Program [Danielle Larson, Tax & License Manager]

At approximately 4:54 p.m., Danielle Larson, Tax and License (T&L) Division Manager, review the proposed T&L Amnesty Program, including goals, best practices, current license liabilities, proposed amnesty, communication sources, proposed program structure after amnesty, and next steps. Discussion ensued regarding civil penalties, regulatory license fees, businesses who decide not to participate in the program, having a third party vendor search for unlicensed business, business and occupation taxes, marketing and application timelines, the outreach process, and creating a process for collecting taxes. Chair Lonergan requested a breakdown by category of the estimated amount of regulatory license fees. Council Member Campbell requested staff have the public outreach process coincide with the application acceptance timeline.

MOTION: Council Member Campbell moved to forward the Tax and License Amnesty Program to the full Council for consideration.

SECONDED BY: Council Member Thoms.

ACTION: Voice vote was taken and carried. The motion was declared adopted.

Ayes: 3 - Campbell, Lonergan and Thoms

Absent: 1 - Strickland

2. **15-0262** Tacoma Power 2015 Financing Plan [Travis Metcalfe, Tacoma Power]

At approximately 5:32 p.m., Bill Berry, Rates, Power and Analysis Manager, reviewed the 2015 Financing Plan, including calling \$122 million 2005B Bonds on July 1, 2015; implementing a short-term funding agreement with Wells Fargo; implementing a short-term liquidity agreement with Key Bank; revising the Electric Rates and Financial Policy; and implementing a new master subordinate bond. He then reviewed bonds, funding capital projects, liquidity agreements, and rate increases. He concluded by reviewing credit ratings, bond ratings, 2005B Bonds debt service, financing for capital projects, financial metric impacts, projections, policy revisions, next steps, and the proposed schedule. Discussion ensued throughout regarding request for qualifications participants, undrawn fees, and debt savings.

MOTION: Council Member Campbell moved to forward the implementation of a new master subordinate bond ordinance; execution of a short-term funding agreement with Wells Fargo; execution of a short-term liquidity agreement with Key Bank; and to call the 2005B Bonds on July 1, 2015 to the full Council for consideration.

SECONDED BY: Council Member Thoms.

Chair Lonergan stated the proposed Electric Rate and Financial Policy revisions will be held over to the April 1, 2015 meeting.

ACTION: Voice vote was taken and carried. The motion was declared adopted.

Ayes: 3 - Campbell, Lonergan and Thoms

Absent: 1 - Strickland

Topics for Upcoming Meetings

5. **15-0265** April 1 - Municipal Clinic
Tacoma 24/7 End of 2014 Report

Andy Cherullo, Finance Director, stated the next meeting is April 1, 2015 with presentations relating to municipal clinics, and the continued review of Tacoma Power financial policies. He stated the meeting of April 15, 2015 will have presentations relative to the Tacoma 24/7 End of 2014 Report and 2014 Year-End Financial Report. Discussion ensued regarding future presentations regarding taxation of the production and processing of marijuana.

Other Items of Interest

There were no other items of interest.

Public Comment

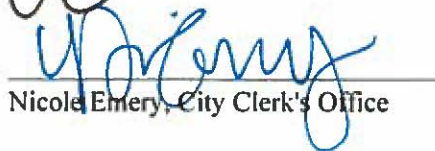
There was no public comment.

Adjournment

On proper motion, the meeting was adjourned at 6:14 p.m.



Joe Lonergan, Chair



Nicole Emery, City Clerk's Office