



# City of Tacoma

## Government Performance and Finance Committee Minutes

747 Market Street Tacoma, WA 98402

Conference Room 248

August 20, 2019

10:00 AM

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Chair Anders Ibsen, Vice Chair Lillian Hunter, Keith Blocker,  
Ryan Mello, Robert Thoms (alternate)

### Call To Order

Chair Ibsen called the meeting to order at 10:03 a.m.

**Present:** 3 - Hunter, Ibsen and Mello

**Absent:** 1 - Blocker

Council Member Blocker arrived at 10:08 a.m.

### Approval of Minutes

1. [19-0875](#) Approval of the minutes of the August 6, 2019 meeting

**MOTION:** Council Member Hunter moved to approve the minutes of the August 6, 2019 meeting.

**SECONDED BY:** Council Member Mello.

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

**Ayes:** 3 - Hunter, Ibsen and Mello

**Absent:** 1 - Blocker

### Briefing Items

2. [19-0876](#) Tacoma Power Long Range Financial Plan  
[Bill Berry, Rates, Planning, and Analysis Manager, Tacoma Power]

At approximately 10:04 a.m., Bill Berry, Rates, Planning, and Analysis Manager, Tacoma Power, presented an overview of the draft Long Range Financial Plan, including background, past and projected rate

changes, and a 2018 to 2019 comparison of the debt service coverage ratio and liquidity projections.

Council Member Blocker arrived here, at 10:08 a.m.

Mr. Berry further presented the historic and scheduled debt service; retail rate averages; and the proposed financing plan, including the note purchase agreement, debt service reserve fund, and 2021 bond issuance. He concluded by reviewing the proposed bond schedule.

Discussion ensued regarding how a recession would affect the financing plan, predicted rate increases, and the inability for rates to decrease due to rising costs.

Agenda Item No. 4 was addressed before Agenda Item No. 3.

4. [19-0878](#)

Government Relations Shared Services

[Clark Mather, Government Relations Officer, Tacoma Public Utilities; Anita Gallagher, Assistant to the City Manager]

At approximately 10:21 a.m., Elizabeth Pauli, City Manager, made opening remarks and introduced Jackie Flowers, Utilities Director, Tacoma Public Utilities (TPU); Anita Gallagher, Assistant to the City Manager; and Clark Mather, Government Relations Officer, TPU. Together, Mr. Mather and Ms. Gallagher presented background information regarding Citywide coordination on government relations, including how government relations work in the City, improvement of coordination and policy progress, and coordination on priority policy issues. Ms. Flowers described the advantages of joint efforts in lobbying for critical issues. Mr. Mather outlined proposed revisions for systemic improvements and Citywide harmonization between General Government (GG) and TPU. Ms. Gallagher reviewed alternatives that were considered. Ms. Flowers outlined recommendations. Karen Larkin, Chair, Public Utility Board, concluded by reviewing next steps.

Discussion ensued regarding what happens when TPU and GG disagree, TPU and GG alignment, and the possibility of having a Council Member involved in TPU board meetings.

**MOTION: Council Member Hunter moved to recommend that staff prepare draft resolutions, regarding joint government relations, to the full City Council for consideration.**

**SECONDED BY: Council Member Blocker.**

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

**Ayes:** 4 - Blocker, Hunter, Ibsen and Mello

3. [19-0877](#) Wholesale Pricing and Policy Revisions  
[Sean Senescall, Finance and Analytics Manager; and Lyna Vo, Utilities Economist, Tacoma Water]

At approximately 10:56 a.m., Sean Senescall, Finance and Analytics Manager, Tacoma Water, introduced Lyna Vo, Utilities Economist, Tacoma Water, and presented an overview of Tacoma Water’s recommendations for wholesale pricing and policy revisions, including wholesale issues, proposed revisions, and impacts. Ms. Vo presented an overview of system development charge (SDC) adjustments and fixed fees adjustments, including SDC issues, proposed revisions, and impacts; and fixed fees issues, proposed revisions, and impacts. Mr. Senescall concluded by reviewing outreach, next steps, and recommendations.

Discussion ensued throughout regarding the SDC adjustments; how a recession would affect the rates, costs, and services; and fixed fees rate adjustments.

**MOTION: Council Member Hunter moved to recommend the wholesale pricing and policy revisions to the full City Council for consideration.**

**SECONDED BY: Council Member Blocker.**

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

**Ayes:** 4 - Blocker, Hunter, Ibsen and Mello

## Topics for Upcoming Meetings

5. [19-0879](#) September 17, 2019 - Anchor Institutions and Council Rules on Walk on Amendments

Latasha Ware, Committee Liaison, stated the September 3, 2019 meeting has been cancelled, and the next meeting will be on September 17, 2019 and will include anchor institutions and Council Rules on Walk on Amendments.

## Other Items of Interest

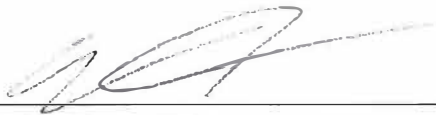
There were no other items of interest.

## Public Comment

There was no Public Comment.

## Adjournment

There being no further business, the meeting adjourned at 11:16 a.m.



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Anders Ibsen, Chair



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Mary Crabtree, City Clerk's Office