

APPROVED 7-27-16

MINUTES
 City of Tacoma
 Public Utility Board Study Session
 July 13, 2016
 3:00 p.m.

Mr. Patterson called the Public Utility Board study session to order at 3:04 p.m. at the Public Utilities Administration Building.

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

Human Resources: Equal Employment Opportunity Report

Joy St. Germain, HR Director, made introductory comments and introduced Kat Flores, HR Analyst, and Jerry Lee, EEO Officer. Director St. Germain outlined the five goals for the equity and empowerment initiative: 1) workplace reflection of the community; 2) community outreach and engagement; 3) equitable service delivery; 4) support opportunities for everyone to achieve full potential; 5) equity in local government decision making. Mr. Lee detailed graphic representations illustrating TPU ethnic origin and gender as compared to Tacoma residents, City of Tacoma workforce and Pierce County. Mr. Lee also provided this information broken down by individual TPU departments. Ms. Flores then shared two sample classifications to illustrate applicant pools and flow through the hiring process. Outreach, strategy, and recruitment efforts were summarized. The use of diversity-related questions, awareness development, cultural competency in hiring, and retention was reviewed. Director St. Germain stated that data is constantly being analyzed so that HR can be more strategic to see what is performing well and where improvement may be needed. Ms. St. Germain provided the Board a copy of the first quarter 2016 TPU EEO report and the City of Tacoma's hiring handbook and stated that diversity training for TPU managers will be scheduled.

Tacoma Power: Energy Risk Management Update

Ray Johnson, Power Rates and Energy Risk Manager, began by providing an overview of Power's cumulative net wholesale revenue versus budget net revenue as well as the cumulative net wholesale revenue variance. The hedging program was then detailed. The hedging program objective is to stabilize net revenues from wholesale operations and protect against unacceptable wholesale revenue outcomes. The biennium hedging value and credit exposures over \$200k were summarized and an overview of the energy risk management program was provided. Tacoma Power is currently in the process of benchmarking current practices, ranking and identifying gaps, recommending alternatives to gaps, and identifying benefits for each recommendation. This information will be shared at the next energy risk management Board update.

Tacoma Power: Cable TV Franchise Renewal with the City of Fircrest

Pam Burgess, Click! Business Operations Manager, shared that Click!'s franchise with the City of Fircrest is a non-exclusive cable television franchise originally passed by the City of Fircrest in August of 2003. Renewal discussion with the City of Fircrest began in February of 2016 and this item is scheduled for final consideration by the Fircrest City Council on July 26. Ms. Burgess summarized the changes to the renewal agreement: 1) Clarifications made consistent with the Cable Act/applicability to video services; 2) Grant of Rights; 3) Enhanced Click! Protections; 4) Provisions governing cable modem service; 5) Confidentiality; 6) Customer service standards.

Public Affairs: Legislative Sessional Final Report

Bob Mack, Deputy Director for Public Affairs, introduced Senior Managers of External Affairs, Lisa Rennie and Clark Mather, and Diana Carlen and Paul Hoover of the law offices of Gordon Thomas Honeywell. State and federal legislative activities for each of the operating divisions were summarized.

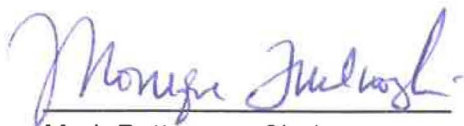
Ms. Rennie and Ms. Carlen provided a summary of state legislative activities. The state legislature has adjourned until next January. The Governor's race, statewide offices, all 98 house members and half of the state senate are on the ballot this fall. Notable activities for each of the operating divisions were highlighted. These include the Department of Ecology Clean Air Rule for Power, water quality/lead for Water, and bulk oil transport for Rail.

Messrs. Mather and Hoover summarized federal activities. Congress is in session and will recess for campaigning until September. Notable activities for each of the operating divisions were highlighted. These include the Columbia River Treaty for Power; water quality and additional water storage project at the Howard Hansen Dam for Water; and activity to extend the railroad track maintenance tax credit and rulemaking for oil train transport for Rail.

Adjournment

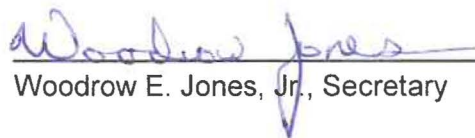
The study session was adjourned at 5:23 p.m. until the next regularly scheduled study session on Wednesday, July 27, 2016 at 3:00 p.m.

Approved:



Mark Patterson, Chair

Approved:



Woodrow E. Jones, Jr., Secretary