



APPROVED 8/28/24

MINUTES
City of Tacoma
Public Utility Board Meeting
August 14, 2024
6:30 p.m.

Chair O'Loughlin called the Public Utility Board meeting to order at 6:30 p.m.

Present: William Bridges; John O'Loughlin; Elly Claus-McGahan; Carlos Watson
Excused: Anita Gallagher

Minutes of the Previous Meetings

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

Comments by the Public

There were no comments by the public.

Regular Agenda

- C-1 Resolution U-11467 - A resolution to award certain contracts and approve certain purchases:
1. Increase contract to Potelco, Inc., for transmission and distribution augmented crew services (\$1,500,000, plus applicable taxes. Cumulative contract total \$11,612,471.23, plus applicable taxes) [Erica Pierce, Contract Program Manager];
 2. Award three-year contract to General Pacific, Inc., for 15kV padmount switchgears (\$942,358, plus applicable taxes; includes option to renew for two one-year renewal periods for a projected contract amount of \$1,777,793, plus applicable taxes) [Erica Pierce, Contract Program Manager];
 3. Award four one-time purchase orders to General Pacific, Inc., for 2025 allocations of distribution transformers (\$2,000,000, plus applicable taxes) [Erica Pierce, Contract Program Manager];
 4. Award contract to Critigen LLC, dba Locana, for the migration of Tacoma Water Geographic Information Systems assets to the utility network (\$3,675,000, plus applicable taxes) [Aldo Avina, Technology Manager];
 5. Award contract to Kassel & Associates, Inc., for the remodel of support areas and replacement of the HVAC system at the Headworks Operations building (\$1,396,700, plus a five percent contingency for a projected contract total of \$1,466,535, plus applicable taxes) [Carol Powers, Principal Engineer];

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

In response to a Board inquiry on item number one regarding the spending breakdown in each of the five categories, Erica Pierce, Contracting Program Manager, responded that there is no dollar amount per category. Potelco crews spend most of their time on pole replacements, overhead conductor replacements, and underground work. Tacoma Power crews are more equipped to pivot quickly and respond to after hours and work with contractors. Also, in-house crews are utilized for large projects.

In response to a Board inquiry on item number two about switchgear pricing, Ms. Pierce shared that seven different switchgears are covered in this contract and pricing varies due to specifications. There are approximately 53 units between seven material identifications that will be purchased.

In response to a Board inquiry on item number three requesting additional information on allocation of funds, Ms. Pierce shared that General Pacific responded to the request for how many units are needed and they provide Tacoma Power with production slots that align up with the production schedule. Power requested allocations and plans to buy all those units for what we need for planned work. It's advantageous for Power to have orders in place, shipped, and in stock. Ms. Pierce informed the Board that the background materials will be corrected as they should specify 150 pad-mounted transformers, not 115. Lead times are very long since the pandemic; Power is still waiting for three-phase transformers that were ordered a year ago. Single-phase units are coming in in Q4. In response to a Board inquiry, Joe Wilson, T&D Manager stated that Power has 45,000 overhead transformers and 15,400 pad-mounted transformers in its service area. The lifespan of these varies and sometimes there is 80 weeks of lead time to get these in stock. Power needs to have this inventory in stock for customers, especially multi-family projects, in this supply chain constrained environment. Ms. Pierce concluded by explain that when Power put out for requests for bids for short-term stocking solutions, it was found found that many new vendors had entered the market and a lot are overseas which makes vetting more problematic requiring additional time to review specifications.

Voice vote taken and carried. The resolution was adopted.

C-2 Resolution U-11468 – Authorize adoption of Tacoma Power's 2024 Integrated Resource Plan as required by RCW 19.280

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Rachel Clark, Resource Planning & Analytics Manager, summarized the resolution. Washington State's electric utility resource plans law, RCW 19.280, requires that all state electric utilities develop and update resource plans (RP) or integrated resource plans (IRP) and must make them available to the public every two years. For consumer-owned utilities, it also requires that "the governing body of a consumer-owned utility that develops a plan under this chapter shall encourage participation of its consumers in development of the plans and progress reports and approve the plans and progress reports after it has provided public notice and hearing." (RCW 19.280.050). The Board has received two detailed briefings on this topic and stakeholders had opportunities to attend public meetings.

Voice vote taken and carried. The resolution was adopted.

C-3 Motion 24-09 - That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle the claims related to the Estate of Wesley Evans in the lawsuit referenced as *The Estate of Wesley Evans, et. al., v. The City of Tacoma*, Pierce County Cause No. 20-2-07562-6, on behalf of the City of Tacoma in the amount of \$1,500,000.

Mr. Bridges moved to approve the motion; seconded by Ms. Claus-McGahan.

Martha Lantz, Deputy City Attorney, summarized the motion. This motion concludes seven years of litigation after a fatal accident in which a vehicle collided with a railcar. A wrongful death suit of \$15M was filed, reduced to \$10M, and after litigation this settlement was negotiated. One third of this claim will be paid by the Public Works department.

Voice vote taken and carried. The motion was approved.

D. Board Comments

Board Member Claus-McGahan made positive remarks about the partnership with TPU and the Franklin Pierce School District and school bus electrification.

Chair O'Loughlin made positive remarks about a recent visit to the Cowlitz fish hatchery.

Board Member Watson expressed appreciation to Deputy Director Wortham for attending the APPA Policy Makers Council meeting in DC and meeting with legislators.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 6:51 p.m. until Wednesday, August 28, 2024, for a study session at 3:00 p.m., followed by a regular meeting at 6:30 p.m.

Approved:



John O'Loughlin
Chair



Elly Claus-McGahan
Secretary