



City of Tacoma Government Performance and Finance Committee Minutes

Dial: 253-215-8782 Meeting ID: 844 1669 0206

Webinar Link: www.zoom.us/j/84416690206 Passcode: 614650

April 05, 2022

10:00 AM

Chair John Hines, Vice Chair Kristina Walker, Joe Bushnell,
Sarah Rumbaugh, Kiara Daniels (alternate), Mark Patterson (ex officio)

Call To Order

Chair Hines called the meeting to order at 10:02 a.m.

Roll Call

Present: 4 - Bushnell, Hines, Rumbaugh and Walker

All Council Members participated virtually.

Approval of Minutes

1. [22-0391](#) Approval of the minutes of the December 7, 2021 meeting
2. [22-0392](#) Approval of the minutes of the January 18, 2022 meeting
3. [22-0393](#) Approval of the minutes of the February 1, 2022 meeting
4. [22-0394](#) Approval of the minutes of the February 15, 2022 meeting
5. [22-0395](#) Approval of the minutes of the March 1, 2022 meeting

MOTION: Vice Chair Walker moved to approve the minutes of the December 7, 2021, and the January 18, February 1, February 15, and March 1, 2022, meetings.

SECONDED BY: Council Member Bushnell.

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

Ayes: 4 - Bushnell, Hines, Rumbaugh and Walker

Briefing Items

6. [22-0396](#) Monthly Budget Update
[Nick Anderson, Management Analyst, Office of Management and Budget]

At approximately 10:03 a.m., Nick Anderson, Management Analyst, Office of Management and Budget, provided opening remarks and presented the monthly budget update, including an agenda; planning documents, noting the Transportation Improvement Plan (TIP) and Capital Facilities Plan (CFP); how a project gets into the CFP; CFP roles; request evaluation criteria; major funding sources for the 2021-2026 CFP; confirmed versus unconfirmed funding; ongoing funding; and the capital budget calendar.

Discussion ensued regarding past funding, CFP evaluation, the CFP process and adding projects to the CFP, why Environmental Services is not part of the CFP, the amount of funding the City received from the real estate excise tax (REET) 1 and 2, setting aside funding for future needs, and deferred maintenance of facilities.

7. [22-0397](#) Tacoma Power Long Range Financial Plan
[Michelle Brown, Lead Financial Planning Analyst, Tacoma Public Utilities]

At approximately 10:38 a.m., Jim Sant, Deputy Director, Tacoma Public Utilities (TPU) Management Services, provided opening remarks and introduced Michelle Brown, Lead Financial Planning Analyst, TPU. Brown presented the Tacoma Power Long Range Financial Plan (LRFP), including an overview; the LRFP contents; past, actual, and projected rate increases; comparisons between other Western Washington rates; the foundation of Tacoma Power's base case, noting expense and revenue assumptions, and credit, debt, and reserves; risks and opportunities, noting internal and external risks, and planning for uncertainties; declining retail load, noting codes and standards, and changes in the economy; volatile wholesale revenue and increasing power purchase costs; the impact of increasing inflation and supply chain delays on expenses; historical and current debt structure; projected rate increases; and the draft budget and rate schedule.

Discussion ensued regarding water critical years, attracting and retaining employees, comparing Tacoma Power's wages to other areas of the country, the Classification and Compensation Study, using ratepayer dollars to pay down the debt, the natural gas market, and the energy imbalance market.

8. [22-0398](#) Proposed Changes to the Tacoma Municipal Code Chapter 12.01 for Disconnect and Reconnect Fees
[John Hoffman, Customer Services Assistant Manager, Tacoma Public Utilities]

At approximately 11:21 a.m., John Hoffman, Customer Services Assistant Manager, TPU, presented the proposed changes to Tacoma Municipal Code Chapter 12.01 for disconnect and reconnect fees, including an executive summary, background, past due accounts, recommendation and proposed language, and next steps and questions.

Discussion ensued regarding the financial impact of waiving the fees, and issues related to gifts of public funds.

MOTION: Vice Chair Walker moved to forward the staff recommendations to amend Tacoma Municipal Code Chapter 12.01 to the full City Council for consideration.

SECONDED BY: Council Member Bushnell.

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

Ayes: 4 - Bushnell, Hines, Rumbaugh and Walker

Topics for Upcoming Meetings

9. [22-0399](#) April 19, 2022 - State Auditor's Office 2020 Exit Audit Conference and 2021 Entrance Conference; Digital Equity Program Refresh Briefing
May 3, 2022 - Monthly Budget Update;
Tacoma Public Utilities Rate Making Principles;
Environmental Services Rate Making Principles

Ted Richardson, Committee Liaison, stated the next meeting will be on April 19, 2022, and will include updates on the State Auditor's Office 2020 Exit Audit Conference and 2021 Entrance Conference, and the digital equity program.

Other Items of Interest

There were no other items of interest.

Public Comment

Public Comment was heard from:

1. Heidi Stevens, speaking on funding and Rainier Connect.

Adjournment

There being no further business, the meeting adjourned at 11:36 a.m.



John Hines, Chair



Katie Foster, City Clerk's Office