



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Tacoma Public Utility Board – Amended Motion 17-04  
**COPY:** City Council and City Clerk  
**SUBJECT:** Considering the reconfirmation of the reappointment of William A. Gaines to the position of Director of Utilities for a period beginning September 22, 2017, through September 21, 2019  
**DATE:** July 20, 2017

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**SUMMARY:**

Considering the reconfirmation of the reappointment of William A. Gaines to the position of Director of Utilities for a period beginning September 22, 2017, through September 21, 2019.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

**BACKGROUND:**

Tacoma City Charter § 4.18 states the Public Utility “Board shall appoint, subject to confirmation by the City Council, a Director of Utilities.... The Board shall review the Director’s performance annually, and every two years shall, by an affirmative vote of at least three members of the Board in a public meeting, vote on whether to reconfirm the appointment, subject to reconfirmation by the City Council. The first review and vote on whether to reconfirm the Director shall be in 2015.”

Tacoma City Charter § 4.18 further requires the Public Utility Board to reappoint and the City Council to reconfirm the Director of Utilities position “every two years” from the date of the last confirmed appointment.

The Public Utility Board voted in 2015 to reappoint William A. Gaines to the Director of Utilities position for a two-year period, pursuant to Motion 15-08, and the City Council confirmed that reappointment on September 22, 2015.

The Public Utility Board has conducted its annual performance reviews, and on June 21, 2017, passed Amended Motion 17-04 on a 3-2 vote to reconfirm its reappointment of William A. Gaines as Director of Utilities for another two-year period starting September 22, 2017.

Tacoma City Charter § 4.18 requires the City Council to take action to either accept or reject such reappointment prior to September 22, 2017, which is the expiration date of the current appointment.



**ISSUE:**

The current appointment for the Director of Utilities expires on September 21, 2017, so the City Council is required to take action before that date.

**ALTERNATIVES:**

If the City Council rejects the reappointment of William A. Gaines as Director of Utilities, the City will be required to pay Mr. Gaines, upon the expiration of his current appointment period, severance of one year's annual salary of \$387,650, plus one year's COBRA health care benefits estimated to be \$18,115 (estimated at \$1,509.61 a month), for a total of \$405,765, according to the compensation agreement entered into between Mr. Gaines and the Public Utility Board.

**FISCAL IMPACT:**

Payment of salary and benefits if the reappointment is accepted; otherwise, payment of severance in the approximate amount of \$405,765 if the reappointment is rejected.

**RECOMMENDATION:**

There is no recommendation from staff.