



City of Tacoma Government Performance and Finance Committee Minutes

747 Market Street Tacoma, WA 98402

Conference Room 248

March 01, 2017

4:30 PM

Chair Joe Lonergan, Vice Chair Marty Campbell,
Anders Ibsen, Lauren Walker Lee, Marilyn Strickland (alternate)

Call To Order

Chair Lonergan called the meeting to order at 4:35 p.m.

Present: 3 - Lonergan, Campbell and Ibsen

Absent: 1 - Walker Lee

Approval of Minutes

1. [17-0235](#) Approval of the minutes of the meeting of January 18, 2017.
2. [17-0236](#) Approval of the minutes of the joint meeting of February 15, 2017.

MOTION: Council Member Campbell moved to approve the minutes of the January 18 and February 15, 2017 meetings.

SECONDED BY: Council Member Ibsen.

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

Ayes: 3 - Lonergan, Campbell and Ibsen

Absent: 1 - Walker Lee

Briefing Items

3. [17-0237](#) Tacoma Public Utilities Power & Water Rate Proposal
[Chris Robinson, Superintendent, Tacoma Power; Sean Senescall, Rates & Financial Planning Manager, Tacoma Water]

At approximately 4:36 p.m., Chris Robinson, Power Superintendent, provided information relative to the Tacoma Public Utilities (TPU) approval process,

including policymaker review steps, and 2017 public outreach.

Mr. Robinson then reviewed Tacoma Power rate recommendations, including cause of rate increase, rate making process, cost-of-service analysis principles, ratemaking principles, Tacoma Power customer classes, rate increases by customer class, residential rate design, how residential customers are charged, increase to customer charge, rationale, design impacts, mitigation and offsets. Francine Artis, TPU, discussed bill assistance and the low-income conservation program.

Discussion ensued throughout regarding concerns, outreach, customer response, low-income assistance, distribution differences by customer class, biannual revenues, parity of rates between classes, reasons for raising the rates by such a high percentage, history of increases to the customer charge, subsidization, costs included in rates, restructuring rates with the use of smart meters, identifying customers with low household income and high energy usage, and winter versus summer usage.

Sean Senescall, Tacoma Water, reviewed Tacoma Water rate recommendations, including cause of rate increase, Tacoma Water customer classes, rate increases by customer class, single family residential average bill, and the bill credit assistance program.

Discussion ensued regarding customer classes, and rate history.

Public Comment

Public comment was heard from:

1. Sherry Bockwinkel, Save Tacoma Water, regarding water and power rates.
2. Lynnette Shureb, resident, regarding water and power rates.

Discussion ensued regarding reserves, preventative maintenance, revenues, Niagara Bottling water rates, temporary water service contracts, whether to recommend the proposed Power and Water rate recommendations to the full City Council, preferred billing methods, and conservation efforts.

Topics for Upcoming Meetings

4. [17-0240](#) March 15, 2017 - Cancelled
March 29, 2017 - Mobilitie Wireless Telecom Franchise Agreement and Verizon Wireless Telecom Franchise Agreement

Andy Cherullo, Executive Committee Liaison, stated the March 15, 2017 meeting has been cancelled, and the next meeting will be held on March 29, 2017 and will include a presentation on 2017 radio system access fees and memorandum of understanding, and an update on the 2016 Open Data

Report.

Other Items of Interest

There were no other items of interest.


Public Comment

Public comment was heard earlier in the meeting.

Adjournment

There being no further business, the meeting adjourned at 6:42 p.m.


for _____
Joe Lonergan, Chair



Amanda Punsalan, City Clerk's Office