

APPROVED 3-11-20

MINUTES
 City of Tacoma
 Public Utility Board Meeting
 February 26, 2020
 6:30 p.m.

Vice-Chair Flint called the Public Utility Board meeting to order at 6:30 p.m. in the auditorium at Tacoma Public Utilities.

Present: Bryan Flint, Christine Cooley, Carlos Watson, Mark Patterson

Excused: Karen Larkin

The meeting was quorate.

Minutes of the Previous Meetings

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

Recognitions

There were no recognitions.

Public comment

There were no comments by the public.

Regular Agenda

- D-1 Resolution U-11143– Award contracts and approve purchases:
1. Award contract to Utegration, LLC for services to support monthly billing for bi-monthly customers and TPU's pre-payment program (\$957,000, plus applicable taxes) [Tenzin Gyaltzen, Power Section Manager];
 2. Increase contract to Morris & Willner Partners, Inc., for IT project management temporary staffing services to assist with the implementation and replacement solutions for projects and organizational initiatives (\$5,211,992, plus applicable taxes. Cumulative total \$10,111,418, plus applicable taxes) [Tony Landrith, UTS Assistant Section Manager];
 3. Increase contract to KRE Consulting LLC for IT project management temporary staffing services to assist with the implementation and replacement of technology solutions for projects (\$2,440,444, plus applicable taxes. Cumulative total \$5,324,724, plus applicable taxes) [Tony Landrith, UTS Assistant Section Manager];
 4. Award five-year contract to Ricoh USA, Inc., for a copier lease, variable usage, support services, and supplies throughout TPU (\$2,000,000 plus applicable taxes,

Mr. Patterson moved to adopt the resolution; seconded by Ms. Cooley. Mr. Patterson moved to remove item four from the general purchasing resolution to allow additional staff time to work on contracting; seconded by Ms. Cooley. Voice vote to remove item number four was taken and carried.

In response to a Board inquiry to outline the benefits of monthly billing related to item number one, Andre Pedefferri, Advanced Meter Program Manager, shared that this contract allows transition from current bi-monthly billing to monthly billing for all service offerings, cutting the bill burden in half by not having to save up for two months' worth of service. This breakdown makes it easier to manage finances. Meter deployment is scheduled to start at the end of 2020 and extend through mid-2022. Customers will be cut over to monthly billing during deployment depending on the schedule.

In response to a Board request for a summary on items number two and three, Tony Landrith, Assistant Power Section Manager, shared that the contracts will be used to assist in addressing short-term resource gaps. Power UTS has a large portfolio of work and with the increased modernization efforts being overtaken, there has been an increase in resource demand. Staff will consider re-bidding this contract at the end of the term to manage costs.

Voice vote was taken and carried. The resolution was declared adopted.

D-2 Resolution U-11144 – Adopt a surplus real property disposition policy to provide direction for the disposition of TPU real property; to better align with the Council's approved policy for the sale/disposition of city-owned General Government Real Property; and enact affordable housing transfer rules consistent with RCW 39.33.015.

Mr. Patterson moved to adopt the resolution; seconded by Ms. Cooley. Mr. Patterson moved to postpone this resolution to the next Board meeting of March 11, 2020 to allow time for policy review; seconded by Board Member Cooley. Voice vote on postponing Resolution U-1144 was taken and carried.

D-3 Resolution U-11145 - Approve declaration of surplus of the Flett and Wapato Substation power transformers no longer needed for Tacoma Power's current or future needs and authorize the sale of equipment to the highest responsive bidder (Per RCW 35.94.040, a public hearing on declaration of surplus will be held).

Mr. Patterson moved to adopt the resolution; seconded by Ms. Cooley. Mr. Patterson moved to amend Resolution U-11145 by removing all references to the Flett Substation power transformer, proceeding only with the Wapato Substation power transformer; seconded by Ms. Cooley. Voice vote to amend the resolution accordingly was taken and carried. Mr. Patterson moved to adopt the amended resolution; seconded by Ms. Cooley. There were no Board questions or public comment.

Voice vote was taken and carried. Amended Resolution U-11145 was adopted.

D-4 Resolution U-11146 – Declare surplus and authorize the sale of approximately 4.74 acres of Tacoma Water property to Nash Cascadia Verde LLC for \$125,000.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Greg Muller, Real Estate Officer, summarized the resolution. As part of the transaction Nash will complete, at its sole expense, a boundary line adjustment for the sale tract. In addition, an easement will be granted to Tacoma Water for continued use of the existing access road in support of Pipeline No. 1 current and future operations. This request is made to allow improved storm water retention and treatment in support of the Tahaleh master planned community in the Bonney Lake vicinity. The sale tract is a semi-rural to suburban location in southeast Pierce County and has been used for an access road in support of pipeline No. 1. Due to steep topography in this area, Nash approached Tacoma Water to utilize this tract for installation of a storm water conveyance pipeline connecting a storm water detention pond on their property. As Tacoma Water does not see a need to retain ownership of the tract as ownership entails additional management time and expense, it agreed to the sale with easement for the access road. The sale price, which includes consideration of the road easement is believed to reflect fair market value based on recent sales activity.

In response to a Board request for additional information, Mr. Muller shared that the storm water pond is on the property Nash already owns. The only reason Tacoma Water had the property to begin with is the supply pipeline runs on the north side. There is very steep topography so it was necessary to build an access road to get from one end of the property to the other. Tacoma Water will continue to use the access road upon sale.

Voice vote was taken and carried with Board Member Flint abstaining. The resolution was declared adopted.

H. Reports of the Director

Chris Robinson, Power Superintendent, summarized the earlier study session presentations on the fleet ordinance and augmented staffing for Utility Technology Services. Director Flowers summarized the Advanced Meter Project study session update and the Board policy discussion from the study session.

Dan McCabe, Rail CIO/CFO, shared two videos. The first video showed how Tacoma Rail and its partners worked together to redevelop the former Kaiser Aluminum site for the first major customer facility expansion in the tide flats in six years for the Nissan WWS facility. The second was a switching simulation video illustrating Rail operations.

I. Comments by the Board

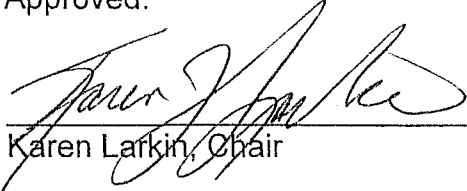
Board Member Cooley made positive remarks on Tacoma Rail's presentation.

J. Adjournment

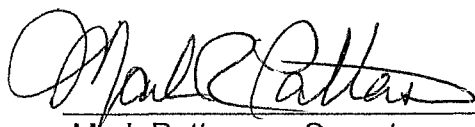
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There being no further business or comments, the Public Utility Board was adjourned at 6:59 p.m. until Wednesday, March 11, 2020 for a study session is at 3:00 p.m. at Tacoma Public Utilities, followed by the regular meeting at 6:30 p.m. at Tacoma Public Utilities.

Approved:



Karen Larkin, Chair



Mark Patterson, Secretary