



APPROVED 5/9/24

MINUTES
City of Tacoma
Public Utility Board Meeting
April 24, 2024
6:30 p.m.

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

Present: Carlos Watson; Anita Gallagher; William Bridges; John O’Loughlin

Excused: Elly Claus-McGahan

Minutes of the Previous Meetings

Mr. O’Loughlin moved that the minutes of the previous meetings be adopted; seconded by Mr. Bridges. Voice vote was taken and carried. The minutes were declared adopted.

Comments by the Public

Larry Pryor, Northwest Fisheries Enhancement Chairman, made comments on Tacoma Power fisheries at the Cowlitz River project dams and expressed concern about production goals and diminishing adult fish returns.

Randy LeDuc made comments outlining his concerns about the decline of Cowlitz River sports fishery. Mr. LeDuc made comments in support of not only fish production, but fish returns. Also, comments in favor of developing a plan to address the lowering of Riffe Lake that has affected fishing were made.

Jack Tipping, spoke in favor of increasing adult fish returns and of Tacoma Power supporting funding to support adult returns. Mr. Tipping also spoke in support of increased hatchery research.

Tod Sharon expressed concern about a newly installed smart meter and his desire to have it removed.

Dana Rush spoke in favor of budget management and stewardship and expressed his concern about rate payer funding for conference travel.

Regular Agenda

C-1 Resolution U-11453 - A resolution to award certain contracts and approve certain purchases:

1. Award contract to Northwest Cascade, Inc., for electrical utility vault, duct bank installation, and street restoration within the city right-of-way as applicable (\$1,043,677, plus a 15 percent contingency for a cumulative total of

\$1,200,228.55, plus applicable taxes) [Chad Edinger, T&D Electrical Services Mgr.];

2. Increase contract to GridBright, Inc., for continued trusted advisory services throughout the Advanced Distribution Management System (ADMS) implementation (\$150,000, plus applicable taxes. Cumulative contract total \$650,000, plus applicable taxes) [John Nierenberg, Asst. T&D Mgr.];
3. Increase and extend by three years contract to Iljin, Electric USA, Inc., for power transformers. (\$5,000,000, plus applicable taxes. Cumulative contract total \$10,000,000, plus applicable taxes) [Mike Allen, Substation Engineering Mgr.].

Mr. O'Loughlin moved to adopt the resolution; seconded by Mr. Bridges.

In response to a Board inquiry on item number two about the reason for the contract increase, John Nierenberg, Asst. T&D Manager, answered that the contract was set up with unstructured money for a use case study using the trusted advisor. This vendor performed the requirements gathering and there was a gap in the traceability and use cases. This funding will go towards the development of different scopes of work for OMS replacement.

In response to a Board inquiry about the contract length and pricing on item three, Mike Allen, Substation Engineering Manager, answered that the original contract was five years. The global commodities market is very volatile and everything having to do with utilities infrastructure, especially transformers, has skyrocketed in price.

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

C-2 Motion 24-04 – That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle the claim of Christopher La Pointe, Claim #L-006-24, in the amount of \$37,764.94.

Mr. O'Loughlin moved to approve the motion; seconded by Mr. Bridges.

Engel Lee, Chief Deputy City Attorney, summarized the motion. Power is alleged to have set a pole in the customer's sewer line. The damage claim settlement is the total of personal property and contractor repair costs.

Voice vote was taken and carried. The motion was approved.

C-3 Resolution U-11454 – A Resolution related to the approval of an amendment and revision to Chapter 10 (Water Regulations and Rates) in Title 12 (Utilities) of the Tacoma Municipal Code, section 12.10.400, inserting an additional meter size to the domestic ready-to-serve rate schedule effective July 1, 2024.

Mr. O'Loughlin moved to adopt the resolution; seconded by Mr. Bridges.

Andrew Zaremba, Utilities Economist, summarized the resolution. Tacoma Water has requested proposed changes to Chapter 10 (Water Regulations and Rates) in Title 12 of the Tacoma Municipal Code to insert an additional meter size to the domestic ready-to-serve rate schedule and would become effective July 1, 2024. Beginning in 2019,

Tacoma Water and WestRock CP, LLC (WestRock) began a one-year renewal cycle for contracted water service, which was a departure from the previous agreement of five-year terms. On August 1, 2023, WestRock announced the closure of its Tacoma paper mill, beginning September 30 of the same year, and as a result the announced closure, Tacoma Water and WestRock did not pursue contract negotiations with the understanding that the existing contract would expire on July 31, 2024. As the WestRock wind-down and closure has progressed, it is becoming increasingly likely that the pulp mill site will continue to have an active meter with a need for domestic water service beyond the expiration of the existing contract and there is no mechanism by which Tacoma Water can bill for the 20-inch meter that the site utilizes after July 31, 2024. The proposed additions to TMC 12.10.400 would ensure continuity of billing to WestRock if WestRock does not pursue the installation of a smaller meter. Tacoma Water has briefed the Board at a PUB study session on April 10, 2024, and is scheduled to brief the Government Performance Finance Committee (GPFC) on April 23, 2024. The first reading by the City Council is scheduled for April 30, 2024.

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

Chair Watson moved to suspend the rules to hear walk-on motion numbered 24-05 moving that a letter be sent to Mayor Woodards, Member of the City Council and Chair Wamback and Members of the Charter Review Committee providing feedback on certain proposals from the Charter Review Committee relating to TPU; seconded by Mr. O'Loughlin.

There were no comments from the Board or the Public. Voice vote taken and carried. The motion to walk-on this motion was approved.

Mr. O'Loughlin then moved to approve motion 24-05 that pursuant to multiple discussions of the Charter Review process at the Public Utility Board study sessions in March and April 2024, the Public Utility Board approves the letter discussed at the April 24, 2024 study session, and read into the record tonight, be sent to the Board to Mayor Victoria Woodards, Members of the City Council, and Chair Wamback and Members of the Charter Review Committee providing feedback on certain proposals from the Charter Review Committee relating to TPU; seconded by Mr. Bridges. The Clerk of the Board then read the letter in its entirety into the record.

Board Member Gallagher provided background. Every ten years there is a charter review process. The City Council can move forward legislation on charter review committee recommendations if they wish to do so. The Council can also add their own recommendations. The committee has a compressed timeline to complete its work; the final report is due to Council on May 7. The Board received the committee's recommendations the day before the last Board meeting; this is the last Board meeting before May 7; hence this motion had to be added.

There were no public comments.

Voice vote taken and carried. The motion was approved.

D. Reports of the Director

There were no final comments by the Director.

E. Board Comments

There were no final comments by the Board.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 7:05 p.m. until Wednesday, May 8, 2024, for a study session at 3:00 p.m., followed by a regular meeting at 6:30 p.m.

Approved:



Carlos Watson, Chair



William Bridges