



ORDINANCE NO. 28688

1 AN ORDINANCE relating to Tacoma Public Utilities; amending Ordinance
2 No. 23295, relating to the Department of Public Utilities Fleet Services
3 Fund, to transfer operating division fleet assets to the divisions for
4 funding flexibility while maintaining the purchasing and maintenance
5 responsibilities within Tacoma Public Utilities Fleet Services.

6 WHEREAS on December 11, 1984, Ordinance No. 23295 (“Ordinance”)
7 was approved, which established a Department of Public Utilities Fleet
8 Services Fund (“Fleet Fund”), for the acquisition and maintenance of fleet
9 equipment used in utility operations, and

10 WHEREAS amending the existing Ordinance is in the best interest of
11 utility customers and citizens, to better align with modern operating and
12 accounting practices, increasing fiscal responsibility, and providing greater
13 flexibility in purchasing future fleet assets, and

14 WHEREAS the amendment will allow the Tacoma Public Utilities (“TPU”)
15 Fleet Services Department to continue managing and maintaining the
16 equipment for all divisions and establishing appropriate rates to cover other
17 fleet operating expenses, with all equipment owned or leased by the
18 Department of Public Utilities that is not exclusively used by the Power, Water,
19 or Rail Divisions, to continue to be assets of the TPU Fleet Services
20 Department, and

21 WHEREAS the amendment will further allow equipment currently in the
22 Fleet Fund that is used exclusively by Power, Water or Rail to become an asset
23 of the division that funded it, and
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1 WHEREAS the transfer of assets used exclusively by Power, Water and
2 Rail to those divisions will take place prior to December 31, 2020, to
3 accommodate year-end accounting procedures, and

4 WHEREAS any unused capital reserves that were contributed to the
5 Fleet Fund by Power, Water and Rail will be transferred back to the division
6 that contributed it, after deducting the total amount to remain in the fund for its
7 continued operations, and to support division asset purchases, and

8 WHEREAS an adequate reserve fund will be established and
9 maintained to support the ongoing operations of TPU Fleet Services
10 Department, and

11 WHEREAS the amount to remain in the Fleet Services Fund for its
12 continued operations and to support division asset purchases will be
13 determined by the Director of Public Utilities or the Director's designee; Now,
14 Therefore,

15 BE IT ORDAINED BY THE CITY OF TACOMA:

16 Section 1. That Ordinance No. 23295 created and established in the
17 Treasury of the City of Tacoma a new fund to be known and designated as the
18 "Department of Public Utilities Fleet Services Fund" to be used exclusively for
19 the operation of the Department of Public Utilities consolidated fleet
20 management program with responsibility for all vehicle administration under a
21 fleet manager, and such fund will continue under this amended ordinance as
22 originally established and as amended.



1 Section 2. That the Department of Public Utilities Fleet Services Fund
2 shall be used as a revolving fund which shall be expended for: (1) administration
3 expenses including but not limited to salaries, wages, space rental and other
4 administrative overhead; (2) operations and maintenance expenses, including
5 but not limited to purchase, lease or rental of new or used vehicles or vehicular
6 related equipment, repairs, replacements, maintenance costs and supplies.
7 Future fleet expenses will be recovered through rates, established through the
8 Department of Public Utilities Fleet Services Fund's policies and procedures as
9 approved by the Director of Utilities. Future rates may reflect not only cost of
10 service but also sufficient monies to assist in funding future purchases.
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12 Section 3. All vehicular equipment owned or leased by the Department of
13 Public Utilities not exclusively used by the Power, Water and Rail Divisions shall
14 be an asset of the Department of Public Utilities Fleet Services Fund as a
15 support division asset and managed by the Fleet Manager. Any outside rental or
16 lease of vehicular equipment for Department of Public Utilities shall be
17 accomplished in accordance with the policies established by the Director of
18 Utilities.
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20 Section 4. All personal property, equipment and/or assets owned or
21 held by the Light, Water or Belt Line Divisions of the Department of Public
22 Utilities which was primarily related to the Department of Public Utilities' state
23 licensed vehicular fleet or other Department of Public Utilities vehicular
24 equipment as designated by the Director of Utilities was transferred to the said
25 Department of Public Utilities Fleet Services Fund as of January 1, 1985. By
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December 31, 2020, all personal property, equipment and/or assets owned or held by the Department of Public Utilities Fleet Services Fund which is primarily related to the Department of Public Utilities' state licensed vehicular fleet or other Department of Public Utilities vehicular equipment that is utilized exclusively by the Power (formerly "Light"), Water, and Rail (formerly "Beltline") Divisions shall be transferred to said Division.

Section 5. The Fleet Fund was established by authorizing the Director of Finance of the City of Tacoma to transfer to the Department of Public Utilities Fleet Services Fund as a working fund advance, from the following funds, the individual sums totaling \$375,000 to be used for the purpose of paying the operational costs of the said fund:

<u>Fund No.</u>	<u>Name</u>	<u>Amount</u>
470	Light Fund	\$312,563
460	Water Fund	59,212
450	Belt Line Fund	<u>3,225</u>
	Total	\$375,000

The Director of Finance of the City of Tacoma is hereby authorized and directed to transfer, by December 31, 2020, from the Fleet Fund to the Power, Water, and Rail Divisions any unused capital reserves contributed to the Fleet Fund by each particular Division, after deducting the total amount to remain in the Fleet Fund for its continued operations and to support division asset purchases. The amount to remain in the Fleet Fund for its continued operations and to support division asset purchases will be determined by the Director of Public Utilities or the Director's designee.



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Section 6. Should the Department of Public Utilities Fleet Services Fund be dissolved for any reason, any surplus or deficiency, together with the original book value of the assets transferred to said Department of Public Utilities Fleet Services Fund shall be shared by the Power, Water and Rail Divisions on a pro rata basis in accordance with their contributions to said fund.

Section 7. That the City Council hereby adopts the Recitals of this Ordinance as its formal legislative findings.

Section 8. That the City Clerk, in consultation with the City Attorney, is authorized to make necessary corrections to this ordinance, including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Chief Deputy City Attorney

Requested by Public Utility Board
Resolution No. U-11174