

APPROVED 1-25-17

MINUTES
City of Tacoma
Public Utility Board Meeting
January 11, 2017
6:30 p.m.

Mr. Patterson called the Public Utility Board meeting to order at 6:30 p.m. at the Public Utilities Administration Building.

Present: Mark Patterson, Monique Trudnowski, Woodrow Jones, Karen Larkin, Bryan Flint

The meeting was quorate.

Minutes of the Previous Meetings

Ms. Trudnowski moved that the minutes of the previous meetings be adopted; seconded by Mr. Jones. Voice vote was taken and carried. The minutes were declared adopted and made part of the record.

Recognitions

There were no recognitions.

Comments from the Public

There were no comments from the public.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

Departmental

D-1 Resolution U-10900 – Award contracts and approve purchases:

1. Award two-year contract to HDR Engineering, Inc., for the creation of an Integrated Resource Plan and associated work (\$719,952, plus a \$20,000 contingency for a cumulative total of \$739,952, sales tax not applicable).

Ms. Trudnowski moved to adopt the resolution; seconded by Mr. Jones.

In response to a Board inquiry about the final format of Tacoma Water's Integrated Resource Plan (IRP), Glen George, Water Quality Manager, stated that the final document will be written in an understandable, user-friendly format.

In response to a Board inquiry regarding the consideration of climate change in the scope of work, Mr. George answered that project scope includes both short-term and

long-term models. The long-term model contains climate change as an impacting element and takes into account the variations in precipitation models. This will be discussed in the plan and modeling efforts.

In response to a Board inquiry regarding the levels of stakeholder engagement, Mr. George stated that stakeholder engagement is in the plan. Three meetings with a variety of stakeholders comprised environmental advocates, policy makers, neighborhood councils, etc., will be invited. The final stakeholder list is still to be finalized and additional meetings, if needed, can be scheduled.

In response to a Board request, Mr. George stated that the Board will be notified of when the public outreach meetings are held.

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

D-2 Resolution U-10901 – Amend Chapter 12.13 of the Tacoma Municipal Code which sets forth rates for Click! Network cable television products and services and provides authorization to offer periodic temporary promotional discounts and a 20 percent low income/senior/disabled discount to qualifying customers.

Ms. Trudnowski moved to adopt the resolution; seconded by Mr. Jones.

Tenzin Gyaltzen, Click! General Manager, summarized the resolution. Rates for cable TV are updated periodically as costs to provide service increase and market pricing analysis updated. Licensing fees for programming continue to rise on a per customer basis. Market prices for service in Tacoma are still lower than in non-competitive areas. This rate increase of an average of 13 percent is reflected in the Click! Network revenue and expense budget for 2017/2018 and is necessary to recover increases in license fees for video programming. Authorization is sought to adjust rates for 2017 only; a proposal to adjust rates for 2018 will be brought before the Board at a later time when the Click! business plan is further developed.

In response to a Board inquiry, Mr. Gyaltzen answered that Click! will continue to participate in TPU's low-income program and a 20 percent discount on broadcast and standard packages will be available to qualifying customers. Those who qualify for other TPU discounts will automatically qualify for Click! discounts.

Mitchell Shook, owner of Internet Service Provider Advance Stream, made public comment in opposition to this resolution. Mr. Shook commented that cable shouldn't be viewed as a stand-alone product as approximately 80 percent of cable users also take the internet product and higher cable rates negatively affect internet sales and favors offsetting increases with the addition of customers.

Michael LaFreniere made comments in support of having all Board study session and regular meeting materials online.

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

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H. Reports of the Director

H-1 November 2016 cash projections for Power, Water, Rail

H-2 November 2016 financials for Power, Water, Rail, Fleet, Self-Insurance Fund

I. Comments by the Board

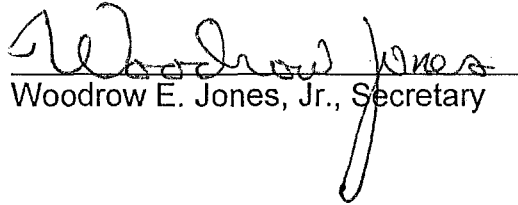
J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 6:52 p.m. until Wednesday, January 25, 2017 for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:



Mark Patterson, Chair



Woodrow E. Jones, Jr., Secretary