



APPROVED 9/24/25

MINUTES
City of Tacoma
Public Utility Board Meeting
August 27, 2025
6:30 p.m.

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

Present: John O'Loughlin; Elly Claus-McGahan; William Bridges; Anita Gallagher,
Excused: Devin Hampton

Minutes of the Previous Meetings

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

Public Comments

There were no comments by the public.

Recognition

Jessica Knickerbocker, Deputy Water Superintendent and TPU United Way Campaign Chair, spoke to the Board about the 2025 TPU United Way Campaign. Campaign activities and goals were summarized. Director Flowers spoke of the positive impact giving to the United Way has on the community. Board Members made positive remarks.

Regular Agenda

D-1 Resolution U-11548 - A resolution to award certain contracts and approve certain purchases:

1. Award contract to Structured Communications, Inc., for improved external cellular and land mobile radio connectivity for TPU campus interior conference rooms and office spaces (\$1,355,131, plus a contingency to pay tariffs on equipment amounting to \$599,718.60 plus applicable taxes for a projected contract amount of \$1,954,849.60) [John Zwosta, Sr. Telecom Engineer];
2. Increase contract to Morris & Willner Partners, Inc., for additional temporary IT staff to support multiple critical projects (\$7,000,000, plus applicable taxes. Cumulative contract total \$10,830,000, plus applicable taxes) [Corey Bedient, Technology Mgr];
3. Increase contract to Workday, Inc., for cloud-based budgeting and reporting software (\$280,335, plus applicable taxes. Cumulative contract total \$1,036,043, plus applicable taxes) [Michelle Rhubright, Budget and Financial Planning Mgr];
4. Increase sub-agreement to Garland/DBS, Inc., for the replacement of an additional three roofs for buildings at Tacoma Power's Nisqually Hydroelectric Project (\$122,923, plus applicable taxes. Cumulative contract total \$514,840, plus applicable taxes) [Steve Fairchild, Power Systems Engineer].

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

In response to a Board request on item number one for additional background, John Zwosta, Sr. Telecom Engineer, shared that this work is designed to take outside signals into the building and vice versa. It will also increase capabilities for first responders while on the TPU campus.

In response to a Board inquiry on item number four for additional information about the piggyback agreement, Steve Fairchild, Power Systems Engineer, shared that this vendor supplies the materials only and local contractors bid on each roof. Each roof had three local contractors bid on them and the contract went to the lowest bid.

There was no public comment.

Voice vote taken and carried. The resolution was adopted.

D-2 Resolution U-11549 – Authorize Tacoma Power to complete the customer-funded Phase 1 preliminary engineering design and long-lead time procurement activities for electric utility upgrades necessary to serve the Husky Terminal Expansion Project in the Port of Tacoma.

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Ali Polda, Projects and Standards Manager, summarized the resolution. The Northwest Seaport Alliance (NWSA) is reconfiguring Husky Terminal in the Port of Tacoma by adding refrigeration units, a new maintenance building, lighting improvements, and gantry crane electrification. These improvements represent approximately 13.5 megawatts of total new load, requiring new equipment at an existing substation and two dedicated distribution feeders from the substation to Husky Terminal. This project is part of a broader terminal expansion funded by a federal grant from the Maritime Administration (MARAD); a previous version of the Utility Installation Agreement was approved by Resolution U-11500, however, due to changes in the grant's terms and conditions, along with delays in the release of funds, the original agreement needs to be superseded with an updated version. Authorization is necessary for Tacoma Power to complete the customer-funded Phase 1 preliminary engineering design and long-lead time procurement activities for electric utility upgrades necessary to serve the Husky Terminal Expansion Project in the Port of Tacoma. The Phase 1 cost is estimated to be \$6,220,477, to be paid by NWSA. Power's work is planned to be contracted in two phases: Phase 1, covered by this agreement, includes the preliminary engineering design and procurement services for long-lead time substation equipment, and Phase 2, under a future contract, will include the final design and the construction of the electric utility upgrades.

There were no public comments on this item.

Voice vote taken and carried. The resolution was adopted.

D-3 Resolution U-11550 – Authorize Tacoma Power to hold up to 15 MVA excess transformation capacity from the Lincoln Substation for ten years as part of the Husky Terminal Expansion Project in the Port of Tacoma.

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

John Nierenberg, System Planning and Operations Manager, summarized the resolution. The Northwest Seaport Alliance (NWSA) is reconfiguring Husky Terminal located in the Port of Tacoma by adding refrigeration units, a new maintenance building, lighting improvements, and gantry crane electrification. These improvements represent approximately 13.5 megawatts of total new load, requiring new equipment at an existing substation and two dedicated distribution feeders from the substation to Husky Terminal. As outlined in NWSA's master plan – which highlights future projects with significant electrical demand – NWSA is proactively purchasing oversized equipment to accommodate its future anticipated needs. Tacoma Power typically purchases substation transformers in 25 MVA and 40 MVA sizes. Although this project requiring a 25 MVA transformer, NWSA has chosen to purchase a 40 MVA unit instead. Tacoma Power has agreed to reserve the resulting excess capacity for future expansion by NWSA for up to ten years and Tacoma Power will treat the additional 15 MVA transformer capacity at Lincoln Substation as unavailable capacity in future impact studies for up to 10 years. Any future NWSA use of this excess capacity must comply with Tacoma Power's Customer Service Policy and Interconnection Process and the purchase and installation costs associated with upsizing the equipment will be paid for by the NWSA. In response to a Board inquiry, Mr. Nierenberg shared that these terms would be available to other customers as well.

There were no public comments on this item.

Voice vote taken and carried. The resolution was adopted.

D-4 Resolution U-11551 - Authorize Tacoma Power to execute a 15-year lease with the Washington State Department of Natural Resources for a communication site on real property owned by the State of Washington, known as Capital Peak in Thurston County, for point-to-point microwave communication.

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Aaron Anderson, Network and Communication Infrastructure Manager, summarized the resolution. Tacoma Power has used the Capital Peak site, located in Thurston County, Washington, for point-to-point microwave communication since the 1960s and the site remains crucial for maintaining communication with Tacoma Power's remote Hydro Projects and major Transmission Substations. Tacoma Power uses the Capital Peak communication site to establish critical voice and data communication paths with sites in Mason, Lewis, Pierce, and Grays Harbor counties. These communication services ensure the safe and reliable operation of Tacoma Power's generation and transmission operations. The Capital Peak site is also used for the exchange of critical data with the Bonneville Power Administration. Tacoma Power requests approval of a new 15-year Communication Site Land Lease with rent of \$16,532 for the first year of the lease, to be increased annually by three percent and including a road use fee of \$2,300 for the first year which may be increased annually by up to three percent based on actual road use, and the proposed lease will replace the last 10-year lease that was agreed to in August 2013, with two one-year extensions.

There were no public comments on this item.

Voice vote taken and carried. The resolution was adopted.

- D-5 Resolution U-11552 – Authorize Tacoma Water to execute a purchase and sale agreement with BTG Pactual OEF Property 1, L. P., for the negotiated purchase of approximately 579 acres of forestland located in the Green River Watershed in unincorporated King County for \$2,460,000

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Greg Muller, Real Property Supervisor, summarized the resolution. The Green River Watershed is the source of high-quality drinking water for nearly one million downstream residents, and it retains some of the last and best salmonid habitat in King County. Tacoma Water has been working to strategically acquire land in the watershed as part of its Watershed Management Plan under the 2018 Water System Plan and acquiring these lands improves source water protection and control. To reduce the financial impact of land acquisition, Tacoma Water will use, for part of the acquisition purchase price, King County Conservation Futures (CFT) Levy Grant funds. Tacoma Water has previously received Board and Council approval of an interlocal agreement with King County to authorize receipt of CFT Levy Grant Funds. Tacoma Water is requesting approval of the purchase and sale agreement dated July 14, 2025, between Tacoma Water and BTG Pactual OEF Property 1, L.P. for the negotiated purchase of approximately 579 acres of forestland identified as King County Assessor Tax Parcel Nos. 1320109013, 1920109001, 2020109014, 2820109001, and 2920109001, located in the Green Water Watershed in unincorporated King County, for \$2,460,000.

There were no public comments on this item.

Voice vote taken and carried. The resolution was adopted.

E. Final Board Comments

There were no final comments by the Board.

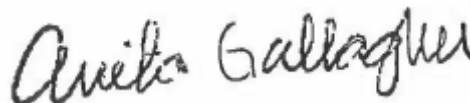
F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 6:55 p.m. until Wednesday, September 10, 2025, for a study session at 3:00 p.m. and a regular meeting at 6:30 p.m.

Approved:



John O'Loughlin, Chair



Anita Gallagher, Secretary