



Approved 4-26-23

MINUTES
City of Tacoma
Public Utility Board Study Session
April 12, 2023
3:00 p.m.

Chair Watson called the Public Utility Board study session to order at 3:00 p.m. in the third floor conference room (LT1) of the Public Utilities Administration Building.

Present: John O'Loughlin, William Bridges, Elly Claus-McGahan; Carlos Watson
Excused: Holland Cohen

Tacoma Power: KeyBank Note Purchase Agreement

Michelle Brown, Power Lead Financial Planning Analyst, shared that the KeyBank Note Purchase Agreement (NPA) provides financial flexibility. It can be either a revolving line of credit for general operation purposes or a letter of credit for collateral purposes. Tacoma Power anticipates primarily using the NPA as a letter of credit to enable financial hedging in the wholesale power market. Benefits include preserving financial flexibility and low financing costs. Tacoma Power entered into this agreement in 2020 when pricing was low. KeyBank is offering equivalent low pricing with the replacement secured overnight financing rate index. This request is going before the Council's GPFC on April 18, come back to the Board for consideration on April 26, and is scheduled for a Council first reading on May 9.

Customer Service Pre-Pay Pilot Program

Francine Artis, Interim Customer Services Manager, provided background on the evolution of TPU's pre-pay solutions. The future pre-pay program has a planned May 2023 launch and will be offered via the MyAccount portal only. This would be offered to power-only, residential customers with remote-capable AMI meters. These customers would need to have a zero balance, not currently enrolled in budget billing and not dependent on life sustaining equipment. Account balances would be calculated at 8:00 a.m. with disconnections happening once a day at 2:00 p.m. for negative balance accounts. Notifications can be proactively sent to help manage the service. Estimated hours remaining and credit balance are available via MyAccount.

AMI Program and Water Meter Box Lid Procurement Update

Corey Bedient, Sr. Engineering Project Manager, and Sally Mohr, Sr. Technology Manager, presented this information. An overview of the AMI project, that included milestones, highlights, and macro environment disruptions, was provided. The program schedule, budget, and meter deployment were reviewed. Background was provided for the water meter lid contract. Staff will bring a request for an increase to the contract at the evening meeting for the final procurement quantities to complete the project.

General Board Comments/Discussion and Director's Reports

Director Flowers provided an update on the hiring of the Deputy Director for Administration.

Recalling the City-wide banking resolution tabled by the Board at its meeting of March 8, approved by the Council at their meeting of March 14, then approved by the Board at its meeting of March 22, Chair Watson inquired and sought solutions on processes surrounding Council consideration when the Board hasn't approved the action. Discussion ensued.

Board Members made positive remarks about their time and the American Short Line Regional Railroad conference.

Adjournment

The study session was adjourned at 5:23 p.m.

Approved:



Carlos Watson, Chair



Holland Cohen, Secretary