



APPROVED 7/23/25

MINUTES
City of Tacoma
Public Utility Board Study Session
July 9, 2025
3:00 p.m.

Chair O'Loughlin 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, Elly Claus-McGahan, Devin Hampton, Anita Gallagher; William Bridges

Moss Adams Exit Conference

Susan Calderon, Asst. Finance Director, made introductory remarks. The three operating divisions received clean audit reports with an unmodified opinion. Olga Darlington, Partner at Moss Adams, reported that there were no material weaknesses in internal controls. The areas of audit emphasis were internal controls, capital assets, debt activity, treasury, revenues and expenses, accounting estimates, implementation of GASB 100 (accounting changes and error correction), and implementation of GASB 101 (compensated absences). There were no disagreements with management or difficulties encountered during the audit. No audit adjustments were identified.

Tacoma Water: Washington State Public Works Board Construction Loan Application

Dana Larsen, Water Division Mgr, and Marc Powell, Sr. Business Services Analyst, presented the information in this presentation. Tacoma Water will seek Board authorization to apply to the Washington State Public Works Board for a low-interest construction loan of approximately \$2,083,720 for two main replacement projects located on Puyallup Avenue. Tacoma Water will coordinate the application submittal with the Environmental Services Department applying for the same funding to support a wastewater project also located on Puyallup Avenue for a 'dig once' partnership approach to consolidate construction efforts so that disruption is limited.

Advanced Meter Infrastructure Project Closeout Report

Sally Mohr, Program Delivery Manager, and Corey Bedient, AMI/Utility Modernization Lead, presented the information in this discussion. A review of AMI infrastructure, project scope/schedule, and the AMI strategic initiative was conducted. The original

schedule was 2017 – 2022 but was revised to end in 2025 due to the pandemic and disruptions to the supply chain. This was followed by an overview of the governance / organizational model. Major program milestones were detailed, and meter deployment strategy reviewed. The robust customer communication program was highlighted. Customer benefits delivered include: AML meter reading; enhanced personal privacy; easier move/in and move/out; remote disconnect/reconnect; abnormal consumption and water leak notifications; monthly billing; detailed usage data; enhanced customer web portal; selectable bill due date; enhanced customer outage notifications. The Board then reviewed information on use cases.

End of Legislative Session Report

Board Member Bridges recused himself from this briefing and left the room. Logan Bahr, Community and Government Relations Manager, provided an overview of this year's legislative session. It was a 105-day session; the biennial budget passed; democrats expanded control; Governor Ferguson's first session; 2,387 bills were introduced; and 431 bills passed. Budget deficits are projected with new revenue at \$9B. The operating budget is \$77.9B; Transportation budget is \$15.5B; and Capital budget is \$7.5B. Mr. Bahr reported that the following bills passed: CETA wholesale purchases (HB 1329); Dig law updates (SB 5627); and Clean buildings flexibility (HB1543). The following bills did not pass: Community solar program expansion (HB1804); WA transmission authority (SB 5466); Residential battery storage (HB1871); and Culvert replacement funding (SB 5804). In this interim timeframe before the 2026 session starts, there will be work on revenue forecasts, studies, project delivery, and delegation engagement. Anticipated work for 2026 includes transmission, permitting, and environmental justice.

Board/Director Comments/Updates

Chair O'Loughlin reported on his participation in the past two GPFC meetings and in the screening of Equity in Contracting committee applications.

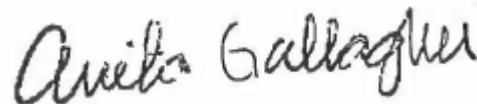
Adjournment

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

Approved:



John O'Loughlin, Chair



Anita Gallagher, Secretary