



APPROVED 1/23/25

MINUTES
City of Tacoma
Public Utility Board Meeting
December 11, 2024
6:30 p.m.

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

Present: John O'Loughlin; William Bridges; Elly Claus-McGahan; Anita Gallagher

Excused: Carlos Watson

Minutes of the Previous Meetings

Mr. O'Loughlin 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.

Comments by the Public

There were no comments by the public.

Recognitions

Tacoma Power Tree Line USA

Jason Hymer, T&D Arborist, informed the Board that Tacoma Power has received the Tree Line USA award. This is the 20th year the Arbor Day Foundation has presented this award to Tacoma Power. Mr. Hymer then outlined the education, certification, and adherence to established standards required of a utility arborist.

Regular Agenda

D-1 Resolution U-11497 - A resolution to award certain contracts and approve certain purchases:

1. Award three-year contract to Westmark Construction, Inc., for on-call general construction services to provide minor construction, repair, renovations, alterations, and maintenance on an as-needed basis (\$2,065,980, plus applicable taxes. Includes option to renew for an additional year for a projected contract amount of \$3,000,000, plus applicable taxes) [Garth Nelson, Sr. Engineering Project Mgr];
2. Award contract to Four Peaks Environmental Science & Data Solutions for fisheries professional services involving a multi-year fish capture efficiency evaluation at the Cowlitz Falls Dam North Shore Collector (\$900,000, plus applicable taxes) [Chris Vaughn, Natural Resources Analyst];
3. Award five-year contract to Open Systems International, Inc., in support of the Advanced Distribution Management System (\$1,655,225, plus applicable taxes) [Sally Mohr, UTS Solutions Development and Transformation Mgr];

4. Award contract to Veolia Water Technologies Treatment Solutions for the purchase of new equipment and related services critical to the operation of the ozone system at the Green River Filtration Facility (\$2,500,000, plus applicable taxes) [Michael Gorenson, Civil Engineer];
5. Increase contract with CCS Facility Services for continued janitorial services and supplies for the Tacoma Rail facility (\$118,000, plus applicable taxes. Cumulative total \$1,124,000, plus applicable taxes) [Kari Halliday, Chief Mechanical Officer];
6. Award contract to Harsco Metro Rail, LLC for the purchase of one new ballast tamper machine (\$1,420,000, plus applicable taxes) [Kyle Kellem, Roadmaster];
7. Increase and extend contract with Colehour & Cohen (dba C+C) for planning and purchasing advertising media for TPU (\$700,000, plus applicable taxes. Cumulative total \$1,400,000, plus applicable taxes. Proposed contract end term to June 1, 2027, which exercises the first of three renewal options) [Julie Sallenbach, Principal Communications & Marketing Analyst].

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

In response to a Board request for additional information about the types of construction covered in item number one, Garth Nelson, Engineering Project Manager, shared that Facilities has over ten projects in planning or design that range in complexity from renovations to modernization projects. Most of the activity will take place on the main campus, but there is some work at satellite hydro sites like elevator modernization and HVAC system replacement. TPU has 15 full-time skilled craft employees, and the contract is for on-call assistance to augment internal labor. The on-call employees have different skillsets and licenses.

In response to a Board request for additional background on aged facilities for item number two, Chris Vaughn, Sr. Fisheries Scientist, shared that this project commits to fish recovery and harvest opportunities at the Cowlitz River watershed and allows for safe passage between downstream and ocean-bound fish. It will optimize the north shore collector, which began operation in 2017.

In response to a Board inquiry on item number four regarding ozone system replacement cost, Michael Gorenson, Civil Engineer, shared that a lot of items in the contract have long lead times, so it is challenging to predict future costs. This contract is for replacing parts of the ozone system and hiring of a contractor for installation. A new ozone system is conceivably five times more than repairing, but that figure is solely an estimate.

In response to a Board inquiry on item number five about contract length, Kari Halliday, Chief Mechanical Officer, shared that the contract ends on June 1, 2025, and a new contract will be advertised in Q1 of 2025. The contract term for the new contract will be three years with an option for two extension periods.

In response to a Board inquiry on item number seven about local vendor options, Emily Privett, Communications and Marketing Manager, shared that the last RFP didn't receive any responses from Tacoma-based agencies. When the contract is at end of life and goes out for RFP again, local agencies will be encouraged to respond.

Voice vote taken and carried. The resolution was adopted.

- D-2 Resolution U-11498 – Authorize extension of contract with Gordon Thomas Honeywell Governmental Affairs for continued federal and executive legislative assistance

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

Logan Bahr, State Relations Manager, summarized the resolution. TPU entered a contract with Gordon Thomas Honeywell Governmental Affairs, LLC, (GTH) by No. U-11049, for assistance with Congress and federal executive agencies on issues concerning power, water, rail, and other utility matters, in an amount not to exceed \$215,400 during 2019-2020. TPU continues to need general and specific assistance with Congress and executive agencies. GTH has provided such services satisfactorily since 2008. The assigned lobbyists have developed contacts and relationships with TPU subject matter experts and have special relationships with Congressional offices and staff. The professional services were originally retained under a waiver of the mandatory solicitation process to be used for professional services contracts pursuant to TMC § 1.06.257B, which authorized TPU to directly negotiate the contract with GTH.

Voice vote taken and carried. The resolution was adopted.

- D-3 Resolution U-11499 – Authorize Tacoma Power to complete necessary customer-funded electric utility work for service to the Bridge Point Tacoma warehouse project.

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

Mike Johnson, Central Business District Engineering Supervisor, summarized the resolution. Tacoma Power requests approval to execute a customer-funded service agreement with the Bridge Point Tacoma warehouse complex, for electric utility work. Bridge Point Tacoma is a four-building, 2.5 million square-foot industrial development at a property in South Tacoma, formerly owned by BNSF railroad. Completion of the utility work in this agreement will allow for the construction of all four buildings. Necessary utility work includes extending over a mile of underground feeder, installing new vaults, conduit, padmount switch, transformers, and wire. In response to a Board comment regarding this work being permitted and non-discretionary for Tacoma Power, Mr. Johnson confirmed that Tacoma Power is the sole electric provider in this area and obligated with a duty to serve legally permitted customers.

Voice vote taken and carried. The resolution was adopted.

- D-4 Resolution U-11500 – 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 & Standards Manager, summarized the resolution. Tacoma Power requests approval to execute a customer-funded service agreement for the Husky Terminal Expansion project. In the Port of Tacoma, the Northwest Seaport Alliance (NWSA) is configuring Terminals 3 and 4, which are leased to Husky Terminal 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. Tacoma Power's work is planned to be contracted in two phases – Phase 1, covered by the contract, 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 upgrades. Phase 1, for preliminary engineering design and long-lead time procurement activities for electric upgrades is estimated to cost \$4,959,000, which will be paid for by the NWSA.

In response to a Board inquiry regarding in-house and contract work, Mr. Polda explained that all engineering will be done in house as well as most of construction. Some aspects, like civil work, aren't done in house.

In response to a Board inquiry about shore power, Mr. Polda explained that this project includes future electrification as part of its expansion so that ships will be able to connect to shore power instead of running on diesel engines while in port.

Voice vote taken and carried. The resolution was adopted.

D-5 Resolution U-11501 – Authorize Tacoma Power to update its Customer Service Policies to include clarifications, correction of administrative errors, fixed fee adjustments, additions, and other general updates

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

Chad Edinger, Electrical Services Mgr, summarized the resolution. Tacoma Power's Customer Service policies were last updated and approved through Resolution No. U-11380. Commencing in 2023, a complete review of the Tacoma Power Customer Service policies has been undertaken and staff are proposing certain updates, clarifications, and corrections which include: Clarification of ownership; Correction of when a refund may be applied for; Requiring default design to be an underground service; Clarification that Tacoma Power cannot make repairs on customer owned equipment; Clarification of Service Point location when service is connected to multiple buildings; Removal of credit for transformers sized 500 kVA and lower; Clarification of Service Point location for mobile and factory-built home developments; Restated that each dwelling unit shall be independently metered; Added requirements pertaining to installation of meter socket adaptors; Corrected language concerning application of taxes; and Included two existing fees into Table A and minor edits to two definitions.

In response to a Board inquiry, Mr. Edinger clarified that an SSB is a secondary service box, and this is where the connection between Power's wires and the customer's wires take place.

Voice vote taken and carried. The resolution was adopted.

- D-6 Resolution U-11502 – Authorize approval of an easement agreement for Tacoma Power to convey a non-exclusive easement (No. 13965), consisting of approximately 4,475 square feet of land for ingress and egress across the Potlatch-Cushman Transmission Line corridor on the Key Peninsula in unincorporated Pierce County, to property owned by Stephen W. Weigley and Barbara A. Davenport for \$75,000

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

Greg Muller, Sr. Real Property Officer, summarized the resolution. Tacoma Power has requested authorization to enter into an easement agreement with Stephen W. Weigley and Barbara A. Davenport, to convey a non-exclusive easement (Easement No. 13965), consisting of approximately 4,475 square feet of land, for ingress and egress across the Potlatch-Cushman Line corridor on the Key Peninsula in unincorporated Pierce County. The Weigley and Davenport property is located north of Tacoma Power's Potlatch-Cushman Transmission Line Corridor and a single-family residence, and related improvements are located on the Weigley/Davenport property, which has been accessed across the corridor since 2000 via permit (Permit No. 1565) from Tacoma Power. The property owners (Weigley/Davenport) would like to allow construction and operation of a cell tower on their property, subject to all land use permitting requirements of Pierce County. The agreement has been reviewed by the City Attorney's Office, Tacoma Power, and Real Property Services; and the proposed amount of consideration for this easement is \$75,000.

Voice vote taken and carried. The resolution was adopted.

- D-7 Resolution U-11503 – Authorize extension of a current project position, previously authorized under Resolution U-11374, for a Communication Systems Technician II to support technology upgrades

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

Aaron Anderson, Sr. Technology Manager, summarized the resolution. Tacoma Power, Network Communications Systems group within Utility Technology Services (UTS) requests approval for an extension of a special project of limited duration involving support of technology upgrades. Tacoma Power has been using Synchronous Optical Networking (SONET) communications technology for data communications for over 25 years and SONET has reached the end of its lifecycle. The project involves replacing the aging SONET communications technology with Multi-Protocol Label Switching (MPLS) technology. MPLS technology has been fully deployed in all of Tacoma Power's substations, and services have been configured to complete the current capital-related activities of the project. Due to several unforeseen staffing events leading to extended resource absences, the final operational close-out activities need to be extended through July 2025. The final stage of the project schedule has been impacted due to the resources' unexpected leave of absence. The City Charter will allow project employees in Tacoma Power, Tacoma Water and Customer Services across all phases of a project

by extending a current project position approved by the Board on March 22, 2023, under Resolution No. U-11374.

Voice vote taken and carried. The resolution was adopted.

D. Reports of the Director

Tacoma Water: Fish Passage Improvements and Fisheries Program

Nick Novotny, Fisheries Biologist, provided an overview of the fisheries program. This included a summary of the regulating documents (Muckleshoot Indian Tribe Agreement [MIT], Habitat Conservation Plan [HCP], and Additional Water Storage Project [AWSP]). The MIT agreement contains provisions that resolve disputes over water resources. The HCP encompasses the endangered species act and covers water withdrawal management activities. The AWSP address Howard Hanson Dam along with migration and ecosystem restoration measure requirements. These three regulating documents are the boundaries of Water's fisheries program. Mr. Novotny then detailed fisheries projects which include the Green River Headworks fish passage facility upgrade, fish habitat mitigation and restoration projects, Howard Hanson Dam fish passage, and the fish restoration facility. The construction schedule was then reviewed.

E. Board Comments

Chair O'Loughlin reminded the Board of the schedule for evaluating the Director's performance for 2024 in 2025.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 7:39 p.m. until Wednesday, January 8, 2025, for a study session at 3:00 p.m. and a regular meeting at 6:30 p.m.

Approved:



John O'Loughlin
Chair



Elly Claus-McGahan
Secretary