



APPROVED 4/10/24

MINUTES
City of Tacoma
Public Utility Board Meeting
March 27, 2024
6:30 p.m.

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

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

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.

Comments by the Public

There were no public comments.

Regular Agenda

C-1 Resolution U-11448 - A resolution to award certain contracts and approve certain purchases:

1. Award one-time purchase order to EI Power Tech for three-phase, pad-mount distribution transformers (\$1,600,000, plus applicable taxes) [Erica Pierce, Sr. Business Services Analyst];
2. Award one-time purchase order to General Pacific, Inc., for one (1) phase distribution transformers (\$750,000, plus applicable taxes) [Erica Pierce, Sr. Business Services Analyst];
3. Award two-year contract to Locana (formally Critigen LLC) for continued implementation of system integration services for the Geographic Information System (GIS) (\$3,000,000, plus applicable taxes) [John Nierenberg, T&D Assistant Section Mgr].

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

In response to a Board request for additional information on items one and two, Erica Pierce, Sr. Business Services Analyst, offered the following information. In early February, an informal bid process for a one-time purchase requisition and order for three single-phase transformers were processed because due to market volatility, many vendors are still hesitant to execute contracts. The transformer market remains heavily constricted due to issues with materials and labor. Transformer need in the next five years is unpredictable and three-phase transformers are less susceptible to damage from vehicle accidents that are more prevalent with smaller transformers. Also, permit

applications for 2024 are currently on pace with 2023. ERMCO was not able to provide additional allocation slots that meet needs and does not anticipate any until 2025. El Power Tech was the low bidder with the best lead times. This waiver is for a one-time purchase to meet our needs for the remainder of 2024 and secure a good portion of our stock into 2025. Due to ongoing construction of businesses as well as a robust housing construction economy in our area, predictability of need is an on-going analysis. T&D personnel continue to have internal discussions to better predict need and share information to keep stock available as the most unpredictable use of single-phase transformers because of damage due to storms, vehicle accidents, and the like. During the informal request for quote conducted in the beginning of February for three phase and single phase transformers and all of the slots will be for fourth quarter production, so TPU will have the transformers by the end of December or early January, which is also the best lead time of submitted vendors for these items.

In response to Board inquiries and requests for clarifications on item three, John Nierenberg, Assistant T&D Manager, shared information on technology modernization. GIS can be thought of as mapping for distribution systems. Power is transitioning from GE Small World to an ESRI utility network. This provides localized asset management and location models to integrate into modern technologies like the ADMS system. This next phase allows leverage of current investments and provides operational effectiveness. The GIS system that maps data will be done in September and the next phase adds to that because the current system doesn't have higher voltage equipment needed to enhance ADMS. There are three touch points with SAP: asset data, distribution modeling tools, and most critical is the outage management system. The physical components are installed, and this vendor will further configure the data. This won't impact market opportunities as Real Property is moving data to this system.

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

C-2 Resolution U-11449 – Authorize execution of a letter of agreement as negotiated with the Professional & Technical Employees, Local 17 (PROTEC 17) regarding shift incentive pay.

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

Dylan Carlson, Labor Relations Division Mgr, summarized the resolution. The agreement results from Tacoma Power division's business need to schedule certain employees in the PROTEC17 Union to either a swing shift or graveyard shift and the PROTEC17 is interested in employees who work these shifts receiving shift incentive pay. The current 2023-2026 Collective Bargaining Agreement (CBA) contains language regarding shift incentive pay for employees working swing or graveyard shifts, but the language only applies to the Public Works Department and the Environmental Services Department. The parties have agreed to revise the current shift incentive pay language of the CBA so that it also applies to the TPU Power Division, and to provide the shift incentive pay to two employees in the TPU Power Division who have worked swing shift since May 1, 2023. The estimated 2023 retroactive payment for the agreement is approximately \$350.

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

D. Reports of the Director

Guiding Principle Seven (GP7, Reliability and Resiliency) Update

Courtney Rose, TPU Emergency Manager; Jayson Lelli, Power Emergency Manager; Glen George, Water Quality Manager; and Kyle Kellem, Rail Roadmaster presented the information in this presentation for their respective work groups. On average, Power customers have experienced 0.60 outages lasting an average of 55 minutes in 2023. Tacoma Water has had no customer curtailments since 2015 (voluntary) and an updated Integrated Resource Plan is being done in 2024. Tacoma Water has no violations to report and reports on compliance annually in the annual water quality report. For Rail the commercial on-time performance was 98.7 percent, intermodal train departure was 100 percent no-time performance and 92.5 percent for customer satisfaction dependability rating. Rail also maintained compliance with all aspects of the oil spill contingency plan. Customer satisfaction ratings for services after disruption were shared. In 2023, the Covid after-action report, five-year strategic plan, utility activation levels, incident command system organizational chart, and employ emergency preparedness were completed. In 2023, Power completed its emergency response plan, emergency operations plan, cyber security response, and recovery plan, and hydro emergency action plans. In 2023, Rail completed its oil spill contingency plan five-year update and emergency meeting locations for first responders. In 2023, Water completed its annual emergency operations plan, annual review of standard operating guidelines, finalized the response and recovery process for incident response, and finalized the incident command system organizational structure for level one and two activations. Future challenges include accessibility and availability to grant funding and continued logistics supply chain issues. Priorities for 20024 include updates to the continuity of operations plan, finalizing the ICS organizational structure, implementation of utility-wide activation levels, finalize/approve the wildfire mitigation plan, update the emergency fuel plan and exercise, development of the public communications plan (Power), and development and implementation of the ICS learning plans within the Docebo training module (Water).

E. Board Comments

There were no final comments from the Board.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 7:26 p.m. until Wednesday, April 10, 2024, for a study session at 3:00 p.m., followed by a regular meeting at 6:30 p.m.

Approved:



Carlos Watson, Chair



William Bridges