

APPROVED 3-27-19

MINUTES
 City of Tacoma
 Public Utility Board Meeting
 March 13, 2019
 6:30 p.m.

Chair Jones called the Public Utility Board meeting to order at 6:30 p.m. in the auditorium at Tacoma Public Utilities.

Present: Woodrow E. Jones, Jr., Mark Patterson, Christine Cooley, Bryan Flint, Karen Larkin

The meeting was quorate.

Minutes of the Previous Meetings

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

Recognitions

The Board recognized local Cub Scout troops who are working towards achieving the Arrow of Light, the highest award in Cub Scouting.

Presentation on Click! proposals and public comment

Director Flowers and Joanne Hovis of CTC Technology provided background, update, and analysis of the alignment of Click! policy goals and the partner proposals received.

Public comment was then taken:

Leilani King spoke in favor of continued public ownership of Click!.
 Cheryl Kopec spoke in favor of continued public ownership of Click!.
 Norma Clare requested clarification on past Click! rate adjustments.
 Alan Lessenger spoke in favor of continued public ownership of Click!.
 Venus Dergan spoke in favor of continued public ownership of Click!.
 Juan Chavez spoke in favor of continued public ownership of Click!.
 Mitchell Shook spoke in favor of continued public ownership of Click!.
 Randolph Fritz spoke in favor of continued public ownership of Click! with suggestions that customer service goals be incorporated into any contract if that is the path forward.
 Ernest Oldfield spoke in favor of continued public ownership of Click! and his desire to maintain high customer service if a contract is the path forward.
 John Mischo spoke in favor of continued public ownership of Click! and if a contract is executed, the inclusion of strong enforcement of terms.

Kit Burns spoke in favor of continued public ownership of Click!, TPU dropping cable to have internet only, and for a partner managing the cable side.
Robert Garcia made positive remarks on Click!'s good customer service.

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Board Members thanked commenters for sharing their remarks and informed that no decision will be made by the Board at this time. A special meeting is scheduled for Monday, March 18 and that is another opportunity to hear comments and a decision may be made that night by the Board. There is another chance to provide comments at the City Council meeting on March 19 before Council consideration.

Comments from the Public

Mitch Shook made comments in favor of General Government and TPU collaborating on projects i.e. the LED street light project.

John Mischo made comments in favor of liquid metal battery storage and ammonium as a diesel fuel, which are zero-carbon alternatives.

Randolph Fritz made comments in favor of a smart grid future tied together by solar and wind.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

D-1 Resolution U-11065 – Award contracts and approve purchases:

1. Award contract to Boettcher & Sons, Inc., for the construction of the LaGrande Shop Building (\$1,122,648, plus applicable taxes);
2. Increase and extend contract to Apogee Interactive, Inc., for software licenses for continued use of web-based energy calculators (\$37,860; cumulative total \$234,738.37);
3. Award contract to Tucci & Sons, Inc., for the construction of a new water main in the vicinity of 198th St E and 131st St E in Pierce County (\$748,812.70, plus applicable taxes).

Ms. Larkin moved to adopt the resolution; seconded by Mr. Flint.

In response to a Board inquiry on item number three, Ali Polda, Water Engineer, stated the bid is much lower than the estimate because the same vendor is working on the road project, thereby lowering costs through consolidation.

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

D-2 Resolution U-11066 – Authorize execution of amendment no. 7 to the contract with Chapter & Verse and ratify amendment no. 4 for a cumulative total of \$550,000.

Ms. Larkin moved to adopt the resolution; seconded by Mr. Flint.

Rebekah Anderson, Media and Community Services Manager, summarized the resolution. This resolution supports Tacoma Power's energy conservation programs and

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implementation support for Tacoma Power's strategic communications plan. Chapter and Verse developed the "We've Got a Rebate for That" concept for residential conservation and has continued to support materials and campaign planning related to Tacoma Power customer programs.

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

D-3 Resolution U-11067 – Authorize execution of amendment no. 6 to the contract with Sitecrafting, Inc. as TPU's website vendor.

Ms. Larkin moved to adopt the resolution; seconded by Mr. Flint.

Rebekah Anderson, Media and Community Services Manager, summarized the resolution which allocates funds for the redesign and ongoing maintenance for both mytpu.org and clickcabletv.com. The vendor provides ongoing maintenance and enhancements such as functionality, security features, integration with web-based applications (such as MyAccount and permitting) and assists with digital marketing campaign elements.

Board Member Larkin informed of her desire to see a competitive process for this contract after contract expiration.

Mitch Shook made public comment in favor of cutting any associated expenses of this resolution with Click! until there is a cable TV profit.

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

D-4 Resolution U-11068 – Authorize delegation of authority to the Director of Utilities to revise and update Tacoma Power's Energy Risk Management policy.

Ms. Larkin moved to adopt the resolution; seconded by Mr. Flint.

Ying Hall, Energy Risk Manager, summarized the resolution. The Board approved Resolution U-10349 in 2009 to adopt Tacoma Power's Energy Risk Management (ERM) policy and delegated authority to the Director to enter into and approve transactions for purchase and sale of wholesale electric power and energy-related products and services. The ERM policy provides a comprehensive framework to manage the risks surrounding wholesale energy transactions and wholesale energy-related products and services. ERM staff conducted a review of the ERM policy and subsidiary procedures with input from an outside consultant. Based on that review, staff determined that there were some procedural updates to be made based on current business practices as well as revisions to the policy to comply with industry standards. In the interest of efficiency and as consistent with previous delegation of authority to the Director, it is requested that the Board delegate authority again to make the recommended revisions and updates to the ERM policy. The policy changes were reviewed with the Board at its study session of January 23, 2019.

Board Member Flint stated that the Board has a study session on this topic and the development of strategic directives and delegations of authority was one outcome. This resolution has elements of delegations of authority to the Director that should be included in further conversations as the strategic directives are developed.

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

- D-5 Resolution U-11069 – Approve the 2018 Water System Plan, Watershed Management Plan with Watershed Rules, Integrated Resource Plan, Water Shortage Response Plan, and Conservation Plan and Goal.

Board Member Flint moved to postpone this item to the March 27, 2019 Board meeting to allow more time for review by the Board; seconded by Ms. Larkin.

Voice vote was taken and carried. The resolution was postponed to March 27, 2019.

H. Reports of the Director

There were no reports of the Director.

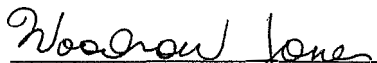
I. Comments by the Board


There were no additional comments by Board Members.

J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at p.m. until Wednesday, March 27, 2019 for a study session beginning at 3:00 p.m. at Tacoma Public Utilities, followed by the regular meeting at 6:30 p.m. at Tacoma Public Utilities.

Approved:


Woodrow E. Jones, Jr. Chair


Bryan Flint, Secretary