

APPROVED 7-12-17

MINUTES
 City of Tacoma
 Public Utility Board Meeting
 June 21, 2017
 6:30 p.m.

Mr. Patterson called the Public Utility Board meeting to order at 6:30 p.m. at the Public Utilities Administration Building.

Present: Mark Patterson, Monique Trudnowski, Woodrow Jones, Bryan Flint, Karen Larkin

The meeting was quorate.

Minutes of the Previous Meetings

Ms. Trudnowski moved that the minutes of the previous meetings be adopted; seconded by Mr. Jones. Voice vote was taken and carried. The minutes were declared adopted and made part of the record.

Recognitions

There were no recognitions.

Comments from the Public

Kit Burns cited a News Tribune article from December 2009 outlining the value of Click! to governmental services and another unnamed publication outlining the same for schools.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

- D-1 Resolution U-10932 – Award contracts and approve purchases:
1. Award contract to JH Kelly for the civil construction of the Taylor Substation (\$1,536,305.74, plus sales tax);
 2. Award contract to Pease Construction for facilities general construction and auditorium renovation (\$2,399,865, plus sales tax);
 3. Award contract to the National Park Service/Olympic National Park for annual fish and habitat monitoring of the upper North Skokomish River and the Olympic National Park (Five-year term \$190,000; not to exceed \$676,400 over 15 years; sales tax not applicable);
 4. Award contract to Doble Engineering Company for lease of proprietary high voltage test equipment (\$250,000, plus sales tax. Cumulative total \$645,300, plus applicable sales tax);
 5. Increase and extend contract to Phoenix Protective Corporation for security officer services (\$3,515,000, sales tax not applicable. Cumulative total \$8,415,000, sales tax not applicable);

6. Award two-year contract to Tercom Construction, Inc., for installation and maintenance of Tacoma Power's telecommunications network (\$2,480,998, plus sales tax, as well as the option for three additional one-year renewal periods. At this time, no additional funding is requested for the optional renewal periods);
7. Increase and extend contract to Progress Rail Services Corporation for heavy mechanical repairs and specialized services for Tacoma Rail's locomotive and caboose fleet (\$200,000, plus applicable sales tax. Cumulative total \$400,000, plus applicable sales tax);
8. Increase contract to Pacific Building Care, Inc., dba Commercial Cleaning Systems, Inc., for janitorial services and supplies for the Tacoma Rail facility (\$100,000, plus sales tax. Cumulative total \$300,000, plus sales tax);
9. Award citywide contract to Cintas Corporation for apparel and linen rental and laundry services as needed (\$850,000, plus applicable sales tax).

Ms. Trudnowski moved to adopt the resolution; seconded by Mr. Jones.

In response to a Board request on item number three, Florian Leischner, Natural Resources Biologist, provided an overview of the project. This is an extension of the current contract to monitor spawning fish in the North Fork Skokomish above Power's Lake Cushman reservoir. It is a requirement under the new Cushman license to see how reintroduced salmon being trucked over the two dams interact with native fish. There is a reduced scope of work because the old contract included annual habitat service that has a reduced frequency of every five years and that is still in alignment with the licensing. In response to a Board inquiry, Mr. Leischner clarified that this request is for authorization of a five-year contract and we've been satisfied with the relationship and performance under the current contract.

In response to a Board request for clarification on item number eight, Dan Knouff, Management Analyst, stated that in 2015, an RFP was conducted for janitorial services to the Tacoma Rail building. This third amendment extends the term by one year and includes the new minimum wage increase.

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

D-2 Motion 17-02 - Authorize a one year renewal of property insurance coverage for Tacoma Public Utilities.

Ms. Trudnowski moved to approve the motion; seconded by Mr. Jones.

Jim Sant, Deputy Director for Administration, summarized the motion. The insurance broker/advisor recommends that TPU bind property insurance coverage with earthquake, flood, and terrorism coverage and for Rail equipment. The terms of each policy provides coverage from July 1, 2017 to June 30, 2018. The City Insurance Committee has reviewed and approved the proposal. The annual renewal premium for the property insurance with Public Entity Property Insurance Program is \$356,756, which is a decrease of \$437 from the previous year. This is due to favorable claims and conditions in the property insurance market. The Rail Rolling stock premium through Allianz Global Corporate and Specialty is \$35,485 which is decrease of \$4,032 over current premiums. This cost decrease in coverage is driven by a decrease in the total insured value of Tacoma Rail's rolling stock in the coming year.

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

10052^{D-3}

Motion 17-03 – Approve settlement in all claims in Richert v. City of Tacoma, Mason County Superior Court cause number 10-2-01058-4; Baskin and Carrington v. City of Tacoma, Mason County Superior Court cause number 16-2-00452-4; and United States District Court for the Western District of Washington case number 3:16-cv-05900 in exchange for dismissal of the above cases, release of all claims, and execution of easements by plaintiffs.

Ms. Trudnowski moved to approve the motion; seconded by Mr. Jones.

The Board had no questions or requests for this motion as they have been provided with a confidential legal memo in advance and received a detailed study session briefing on this settlement.

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

D-4 Resolution U-10933 – Authorize Tacoma Water to participate in the City of Tacoma Environmental Services Department East 40th Street Green Storm Water Infrastructure Project.

Ms. Trudnowski moved to adopt the resolution; seconded by Mr. Jones.

Ali Polda, Professional Engineer, summarized the resolution. Tacoma Water seeks approval to partner with the City's Environmental Services Department and Public Works Department to implement an integrated approach to retrofit the East 40th Street roadway from McKinley Avenue to Portland Avenue. The project will improve water quality, reduce localized flooding, improve traffic safety and pedestrian and bicycle accessibility. The improvements will include permeable pavements, bioswales, storm water pipes, shared-use path, and new sidewalks and curb ramps. Construction is estimated to commence in July 2017. Tacoma Water's estimated project cost is \$516,346.50, plus a 15th percent contingency for a cumulative total of \$593,798.48. As part of the project, Tacoma Water proposes to replace the existing water main constructed in 1930. Tacoma Water believes it is in the best interest to work with Environmental Services to reduce project costs and minimize construction disturbances.

In response to a Board inquiry, Mr. Polda described bioswales as a low-impact development feature that allows storm water to penetrate into the ground without excessive runoff.

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

D-5 Resolution U-10934 – Authorize extension of an agreement with Tacoma Rail and the BNSF Railway Company to provide daily locomotive inspections and service on an as-needed basis.

Ms. Trudnowski moved to adopt the resolution; seconded by Mr. Jones.

Alan Matheson, Assistant Rail Superintendent, summarized the resolution. In July of 2013, Tacoma Rail entered into a pilot program to provide inspections, servicing and running repairs on BNSF unit oil train locomotives destined to Tacoma Rail. In August 2014, through Resolution U-10717, the Board approved a contract to provide servicing and inspections for all BNSF locomotives destined to Tacoma Rail with a term of three years. With Tacoma Rail performing these services, the need for BNSF locomotives to return to their Seattle maintenance facility and potentially be redirected to other trains not originating at Tacoma

Rail is eliminated; thereby increasing locomotive availability for trains departing from Tacoma Rail, reducing previous maintenance routine cycles and improving through-port velocity. 0053

In response to a Board request for elaboration, Mr. Matheson, explained that there are more trains moving east out of the Port than west. That creates a disparity in locomotive availability. This contract allows Tacoma Rail to get locomotives instead of them being sent back to the BNSF to be distributed to other trains not associated with Tacoma Rail.

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

D-6 Motion 17-04 – That in accordance with the Tacoma City Charter Article IV Section 4.18, the Board has reviewed the performance of the Director of Utilities and reconfirms its appointment of William A. Gaines as Director of Utilities and recommends the City Council concur with the reconfirmation.

Ms. Trudnowski moved to approve the motion; seconded by Mr. Jones.

Ms. Trudnowski moved to enter Substitute Motion 17-04 as follows: That in accordance with the Tacoma City Charter Article IV Section 4.18, the Board has reviewed the performance of the Director of Utilities, the Board adopts and authorizes the Utility Board Chair to sign and on file with the Clerk of the Board the Summary of 2016 Evaluation of the Director attached to this motion as Exhibit "A" and the Board reconfirms its appointment of William A. Gaines as Director of Utilities and recommends the City Council concur with the reconfirmation; seconded by Mr. Jones.

A voice vote to enter Substitute Motion 17-04 was taken and carried with four affirmative votes and Board Member Larkin casting the nay vote.

Tom Pierson, President/CEO of the Tacoma/Pierce County of Chamber Commerce, made comments in support of Director Gaines' reconfirmation.

Dan Trimble, Vice President of the Tacoma/Pierce County Economic Development Board, read a letter support (on file with the Clerk of the Board) in Director Gaines' reconfirmation.

Board Members comments were made. Board Members Trudnowski, Jones, and Patterson, made comments in support of Director Gaines' reconfirmation and Board Members Larkin and Flint made comments in opposition of Director Gaines' reconfirmation.

A voice vote on Substitute Motion 17-04 was taken and carried with three affirmative votes with Board Members Larkin and Flint casting nay votes.

The substitute motion was approved.

H. Reports of the Director

There were no reports of the Director.

I. Comments by the Board

Board Member Trudnowski shared that the Board received emails in support of Director Gaines' reconfirmation.

Board Member Flint made positive remarks about his attendance at the American Water Works Association conference and recognized Water's tapping teams, which included the first all-female tapping team.

10054


Board Member Flint made positive remarks about the service of Dawn Lucien in the community and her service on the Public Utility Board.

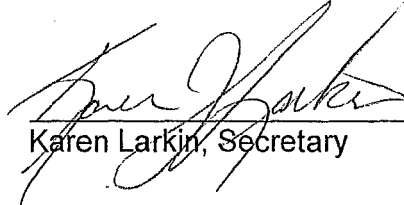
J. Adjournment

Chair Patterson provided a reminder that the June 28, 2017 Public Utility Board study session and regular meetings have been cancelled.

There being no further business or comments, the Public Utility Board was adjourned at 7:20 p.m. until Wednesday, July 12, 2017 for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:


Monique Trudnowski, Chair


Karen Larkin, Secretary