

APPROVED 3-11-15

City of Tacoma
 Public Utility Board Meeting
 February 25, 2015
 6:30 p.m.

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

Present: Woodrow Jones, David Nelson, Bryan Flint, Monique Trudnowski, Mark Patterson

The meeting was quorate.

Minutes of the Previous Meetings

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

Recognitions

Chris Mattson, Generation Production Engineering Manager, presented the Board with an award given by the University of Washington for TPU's contributions and support to the school's electrical engineering department.

Dan Drennan, Marketing and Development Manager, presented the Board with an award given by E-source for placing first in customer satisfaction.

Comments from the Public

Reggie Charlesworth of Asplundh Tree Trimming Company thanked the Board and staff for the past 17 year-relationship as the vendor for augmented tree trimming crew services.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

- D-1 Resolution U-10754 – Award contracts and approve purchases:
1. Award two-year contract to Wright Tree Service, Inc., for augmented tree trimming crew services (\$4,227,380, plus the option for a single one-year renewal period for a cumulative total of \$6,526,740, sales tax not applicable);
 2. Award three-year contract to Tyndale Enterprises, Inc., for the supply of arc-rated flame resistant clothing (\$300,000 plus the option for a single two-year renewal period for an aggregate total of \$530,000, plus sales tax);

3. Award four-year contract to Electric Power Systems, Inc., for engineering consulting services to assist with rehabilitation of the Potlatch Transmission Lines Henderson Bay Crossing (\$1,421,744, sales tax not applicable).

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

In response to a Board inquiry, James Blessing, Principal Engineer, described the project scope and provided clarification about wildlife restoration responsibilities.

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

- D-2 Resolution U-10755 – Approve declaration of surplus utility specific equipment no longer needed for Tacoma Power’s current or future needs and authorize the sale of equipment to the highest responsive bidder.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Jeromy Adams, Environmental Compliance Manager, stated Tacoma Power recommends that substation transformers and distribution transformers and re-closers be declared surplus to Tacoma Power’s needs as they are no longer necessary for proper operations and the equipment be sold to the highest responsive bidder.

No public comment was made on this resolution.

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

- D-3 Resolution U-10756 – Amend and revise Chapter 12.06 of the Tacoma Municipal Code regarding electric regulations and rates ordinance.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Bill Berry, Rates, Planning, and Analysis Manager, summarized the resolution. Tacoma Power looks to recover revenues of approximately \$15.8 M, which were included in the approved 2015/2016 budget to be collected from an adjustment in the electric rates. The approximate overall adjustment in rates is a one-time increase of 3 percent for the system as a whole.

In response to a Board inquiry, Mr. Berry described the public outreach steps taken to communicate the rate adjustment. Board Members made positive remarks about staff work in budget and rate preparation.

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

- D-4 Resolution U-10757 - Amend and revise Chapter 12.10 of the Tacoma Municipal Code regarding water regulations and rates ordinance.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Sean Senescall, Rates and Financial Planning Manager, summarized the resolution. Tacoma Water looks to recover additional anticipated revenues of approximately \$7.5M, which were included in the approved 2015/2016 budget to be collected from an

adjustment in the water rates. The approximate overall adjustments in rates are two steps of 4 percent per year for the system as a whole.

In response to a Board inquiry, Mr. Senescall stated the average impact to customers inside the city of Tacoma is approximately \$1.50 per month. Also, Mr. Senescall described the financial impacts with the filtration plant moving from the construction phase to the operational phase.

Board Members made positive remarks about staff work in budget and rate preparation.

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

H. Reports of the Director

Director Gaines thanked the Board for their support of the budget and rate adjustments.

I. Comments by the Board

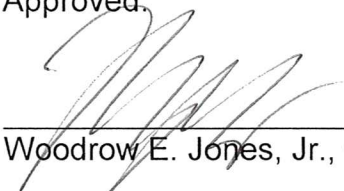
Mr. Flint made positive remarks about the City and TPU receiving Tree City and Tree Line USA awards.

Mrs. Trudnowski made positive remarks about the Electrical Energy Industrial Consortium award received earlier from the University of Washington.

J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 7:03 p.m. until Wednesday, March 11, 2015, for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:



Fdw Woodrow E. Jones, Jr., Chair



Mark Patterson, Secretary