



APPROVED 7-24-24

MINUTES
City of Tacoma
Public Utility Board Meeting
July 10, 2024
6:30 p.m.

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

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

Minutes of the Previous Meetings

Mr. O’Loughlin moved that the minutes of the previous meetings be adopted; seconded by Mr. Bridges. Voice vote was taken and carried. The minutes were declared adopted.

Comments by the Public

There were no comments by the public.

Recognitions

Tacoma Water Project Delivery Manager, Michael Washington, and Rochelle Gandour-Rood, Education Outreach and Sustainability Manager, shared that the Water Equity Committee received the Diversity, Equity, and Inclusion (DEI) award from the Pacific Northwest Region of the American Water Works Association. Mr. Washington and Ms. Gandour-Rood served as the first co-chairs of Water’s DEI committee, which was created in 2021. Since then, more than 30 Water employees have been committee members. Their work to create and maintain an environment that uses, recognizes, and utilizes all talents was the basis for this award.

Customer Service Employees, Carolyn Solitaire and Tommie Frazier were recognized for 48 and 44 years of service, respectively. Ms. Solitaire is the longest-serving employee on record with the City of Tacoma. LaTasha Wortham, Customer Experience and External Affairs Manager, made remarks in honor of their service, many successes, and positive impact on TPU.

Board Members made positive remarks about both recognitions.

Regular Agenda

D-1 Motion 24-07 – In accordance with Governance Process Three, Section One, Election of Officers, of the Public Utility Board Governance Processes, that John O’Loughlin, William Bridges, and Elly Claus-McGahan be nominated and elected as Chair, Vice-Chair, and Secretary respectively.

Mr. O'Loughlin moved to approve the motion; seconded by Mr. Bridges.

Board Members acknowledged Mr. Watson for his work as Chair and for serving as Chair for an additional year with the departure of a former Board Member. Mr. Watson thanked staff and his fellow Board Members for their support.

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

D-2 Resolution U-11462 - A resolution to award certain contracts and approve certain purchases:

1. Increase contract with Retail Lockbox, Inc., for the addition of Clover receipting system for Tagro (\$400,000, plus applicable taxes. Cumulative total \$1,000,000, plus applicable taxes) [Patsy Best, Procurement and Payables Division Manager];
2. Increase and extend by six years the contract with Wells Fargo for merchant services (\$1,000,000, plus applicable taxes. Cumulative total \$3,500,000, plus applicable taxes) [Patsy Best, Procurement and Payables Division Manager];
3. Award three-year contract to Myers Power Products, Inc., for 15 kV class outdoor walk-in, metal-clad switchgear (\$5,752,787, plus applicable taxes. Total price to be paid for contractor's full and complete performance, including during any authorized renewal terms, may not exceed \$5,752,787, plus applicable taxes) [Mike Allen, Substation Engineering Manager];
4. Increase contract to National Response Corporation Environmental Services, Inc., for emergency spill response and routine remediation activities (\$500,000, plus applicable taxes. Cumulative contract total \$1,000,000, plus applicable taxes) [James Bozic, Regulatory Compliance Analyst];
5. Award contract to RailWorks Track Systems, LLC for removal and replacement of seven new track turnouts, two new crossovers, and other associated railroad track renewals (\$2,533,448, plus applicable taxes) [Kyle Kellem, Roadmaster].

Mr. O'Loughlin moved to adopt the resolution; seconded by Mr. Bridges.

In response to a Board inquiry on item number one as to why this contract is coming to both the Board and Council, City Treasurer Michael San Soucie, explained that this is a citywide contract for lockbox services that has previously come to the Board. TPU uses approximately 63 percent of this contract for utility payments made by customers mailing in checks. The services being added to the contract are for Tagro specifically but the extension of time and increase of total expenditures does not allow for continuation of current services. This is being brought before the Board for transparency and awareness.

In response to a Board request for additional information about contract cost for item number three, Mike Allen, Substation Engineering Manager, explained that this contract covers the purchase of 15kv switches, but not the installation. Three of the kv switchgear lineups range from 1.2 to 2M each. The circuit breakers are approximately \$20,000 each.

In response to a Board inquiry on item number four about the contract end date, James Bozic, Regulatory Compliance Analyst, explained that only value is added to the contract, but there's no time extension.

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

Chair O'Loughlin moved to suspend the rules to hear walk-on Motion 24-08; seconded by Mr. Bridges.

Voice vote to suspend the rules taken and carried.

The Clerk read the walk-on motion: That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle Brandon T. Barrett v. City of Tacoma, Pierce County Superior Court Cause No. 22-2-04653-3, in the amount of \$850,000.

Engel Lee, Chief Deputy City Attorney, provided background that this is a personal injury accident from 2021 involving a Tacoma Power vehicle.

There were no comments from the Board or public. Voice vote taken and carried.

Motion 24-08 was approved.

D. Reports of the Director (Tacoma Power Integrated Resource Plan)

Rachel Clark, Resource, Planning, and Analytics Manager, described the Integrated Resource Plan (IRP) as a plan for providing reliable and low-cost power in an uncertain future and requirements are captured in RCW 19.280. It is updated every two years and is consistent with the Board's Guiding Principles. The last IRP was completed in 2022 and the current IRP is due September 1, 2024. Ms. Clark outlined community engagement efforts and workshops. The three steps of the IRP process were provided: needs assessment; analytics and selection of a strategy; and action plan. Uncertainties addressed in the IRP include weather, customer demand, the grid, and other risks such as restoration of Riffe lake elevation timing. Tacoma Power's resource position was then summarized. Power may need additional sources of power generation or storage if there is an undesirable BPA product offering, extended difficulties with restoring Riffe Lake, accelerated electrification, or data center load growth. Ms. Clark concluded her presentation by summarizing the draft resource strategy recommendations and the timeline with September being the deadline to submit the IRP to the Department of Commerce.

E. Board Comments

Chair O'Loughlin made comments as incoming Chair for the next year: 1) TPU provides vital services and reminded all to keep in mind those who struggle to pay for services; 2) Recognition and appreciation for all TPU employees for their hard work; 3) Acknowledgement of former Board Members who made decisions that support clean water, carbon-free power, and a railroad that underpins the economy.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 7:57 p.m. until Wednesday, July 24, 2024, for a study session at 3:00 p.m., followed by a regular meeting at 6:30 p.m.

Approved:



John O'Loughlin
Chair



Elly Claus-McGahan
Secretary