

APPROVED 8-23-17

MINUTES
 City of Tacoma
 Public Utility Board Study Session
 August 9, 2017
 3:00 p.m.

Chair Trudnowski called the Public Utility Board study session to order at 3:05 p.m. at the Public Utilities Administration Building.

Present: Mark Patterson, Karen Larkin; Monique Trudnowski; Woodrow E. Jones, Bryan Flint (arrived 3:08 p.m.)

Tacoma Power/Click! University Place Franchise Agreement

Pam Burgess, Click! Business Manager, summarized Click!'s franchise agreement with the City of University Place. The franchise agreement was originally granted in 2003 for ten years and was extended to February 28, 2015. Renewal was requested in November 2014 but was put on hold as University Place had to manage competing priorities at the time. Negotiations resumed in early 2017. The conditions and terms of the agreement were detailed. The new agreement's term is for 10 years for construction, operation, maintenance, and upgrading for the purpose of providing cable TV services. There is no provision for extension of term. Changes include the removal of obsolete and redundant language, making the public records act mutually applicable, and removing the twelve consecutive month limitation on rate discounts. The University Place City Council will consider this on their agenda in the next few weeks.

Purchasing and Procurement Procedures

Patsy Best, Procurement and Payables Manager, described her division's responsibility as acquiring goods and services in a manner that complies with federal, state, and local laws. The procurement services provided include sourcing (consultation, bid facilitation, contract award coordination); strategic procurement (trend/market analysis, small works); and governance (bid protests, C&A Board coordination, policy establishment). The payable services provided include payments (invoice processing, 57,000 annually, \$300M annual spend); special payment services (payment facilitation, conservation program rebates), and governance (legal compliance, tax audit, IRS reporting). Ms. Best then detailed the federal, state, and city governing statutes. Ms. Best then detailed the competitive solicitation process, under which contract terms are generally limited to five years. If the item is over \$200,000 it arises to the approval hierarchy of the Public Utility Board and the Board of Contracts and Award (C&A) and there is a formal sealed solicitation and a request for bid, proposals, or qualifications. The C&A awards or rejects purchases and contracts over \$200,000 prior to Board or Council action. They oversee contract awards and increase, sole source and not practicable to bid waivers, sale of surplus property, and due process for protests over \$200,000. TMC 1.06.268-269 states

that the total gross (potential aggregate) value of contracts be presented before the governing body for approval, including optional renewals, extensions, and contingency costs on construction. Waivers were then discussed. If deemed to be in the public interest, competitive bidding may be waived. Types of waivers include direct solicitation, sole source, not practicable to bid, and emergency. Ms. Best then detailed TMC 1.06.256 which governs these waivers. Ms. Best then covered cooperative and inter-local agreements which are agreements by two or more entities to combine demand to get lower prices or better terms from a supplier. The new Ariba electronic procurement system that is being implemented city-wide was then described for the Board. Ms. Best then concluded her presentation by sharing statistics on the number and value of contracts approved by the Board.

Miscellaneous

Chair Trudnowski described steps she has been able to take since the passage of U-10949 in order for the Board to begin work on finding a successor to the retiring Director of Utilities. Chair Trudnowski contacted the sitting Board Members, Council Members, Mayor, and also contacted Board Members who were active during the last hiring of a Director in 2007. She also spoke with the current TPU HR Manager, former HR Director, and the consulting firm of Mycoff and Associates from the 2007 recruitment. Study session and regular meeting minutes from July 11, 2007 when the process started to September 26, 2007 when the current Director was appointed, were shared with the Board. Of note, one reason the timeline for this previous recruitment was compressed was because an internal candidate for Director was selected. Chair Trudnowski described the role of the recruiter at the time was to gather a working knowledge of TPU, work with the incumbent Director to articulate business needs and the state of the utility, and to find depth with a national bench of candidates. The incumbent Director and HR drove the process and worked on the position description and the selected recruiter. HR staff helped facilitate meetings and provided tools to discern what competencies should be sought and the consultant assisted with that as well. Mr. Mycoff informed the Chair to expect a four to six month process. All with whom the Chair conversed shared that the uniqueness in recruiting for this position is the 'fish bowl' aspect and respect for privacy of candidates should be a consideration. Board Members then discussed what point in the process would be ideal for stakeholder input. Gathering stakeholder input early in the process, having staff/account executives help identify stakeholders, and having the consultant and Board conducting the outreach was discussed. The process for selecting a recruiter was then discussed. The possibility of an RFP was mentioned but the long, cumbersome RFP process is time consuming. Paul Goulding, Deputy City Attorney, informed it is permissible to ask consultants to provide information on how they would go about this recruitment without a formal RFP. This approach was favored as it can save time. Chair Trudnowski stated she will begin work with HR on this approach and will bring the information back for consideration.

Executive Session


Mr. Flint made a motion at 5:11 p.m. to convene an executive session until 6:15 p.m. to evaluate qualifications of an applicant for public employment per RCW 42.30.110(1)(g); seconded by Jones. Voice vote was taken and carried. The executive session was adjourned at 6:15 p.m.

Adjournment

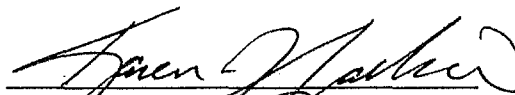
The study session was adjourned at 6:15 p.m. until the next regularly scheduled study session on Wednesday, August 23, 2017 at 3:00 p.m.

Approved:

Approved:



Monique Trudnowski, Chair



Karen Larkin, Secretary