



February 10, 2017

To the Chair and Members of the Public Utility Board and
To the Mayor and Members of the City Council

Below is a detailed overview of the various policy change recommendations for the following three documents: (1) Tacoma Municipal Code (TMC), (2) Tacoma Water Customer Service Policy (CSP), and (3) Rates and Financial Policy (RFP). All major policy changes (non-rate related) are addressed by section with an explanation of the changes made and why Tacoma Water feels it necessary to alter the current language.

TACOMA MUNICIPAL CODE:

- 12.10.020
 - Typographical error corrected.
- 12.10.050
 - Clarify that charges continue until the meter or account is closed or turned off.
- 12.10.220
 - Tacoma Water has added language to the Cross Connections section of the TMC which incorporates current practices concerning how notice will be provided to customers for failure to comply with cross connection control requirements. Customer shall be given a minimum of 14 calendars to comply with Division requirements prior to the imposition of a civil penalty.
- 12.10.301, .303
 - New rates for fire hydrant services fees.
- 12.10.310 and 12.10.400
 - Changing the term “RockTenn” to “Pulp Mill” and defining it in the code to avoid having to make future changes (if any).
- 12.10.400
 - Removal of “Public Facilities” as a rate class. This rate class dates back to the 1990’s and has no current rates or customers within it.
 - Added Parks and Irrigation ready to serve charge section as per our suggestion to reduce the fixed portion of the bill for parks and irrigation customers while raising their variable charge.



- Removed all rates specific to franchise areas as these rates are now the same as other outside city customers, as per the approved rate changes last biennium.
- Altered language in the wholesale section (B1) to be consistent with the rate policy, to include the option of market-based agreements.

Water Rates and Financial Policy

- Removed redundant text about replacement life and funding (Section A.1.a) as this is explained in more detail elsewhere (Section 2).
- Matched the policy language to current standards in forecasting ensuring the forecast is up to industry standards but allowing flexibility in what data or methods are used (Section A.4 and A.5).
- Remove parks and irrigation customer class from Section D.3 (requirement for standby charge) to align with rate design modifications

Sincerely,


William A. Gaines
Director of Utilities/CEO