

APPROVED 10-9-19

MINUTES  
 City of Tacoma  
 Public Utility Board Study Session  
 September 11, 2019  
 3:00 p.m.

Board Chair Larkin called the Public Utility Board study session to order at 3:00 p.m. at the Public Utilities Administration Building.

Present: Bryan Flint, Chrissy Cooley, Carlos Watson, Karen Larkin

Excused: Mark Patterson

**Equity in Contracting and Local Workforce Development**

Tadd Wille, Assistant City Manager, made introductory remarks. The desired outcomes for equity in contracting and local workforce development is that the City of Tacoma Public Works Projects should provide workforce development and employment opportunities to residents of Tacoma and economically distressed areas within the TPU service area and promote equitable use of Small/Minority/Women's Business Enterprise (MWBE) contractors. The objectives are to 1) Build local business contracting capacity; 2) Implement race/gender-based contracting goals; 3) Enforce mandatory utilization of equity goals; 4) Increase local hiring and training; and 5) Enter into additional workforce development agreements. Clifford Armstrong, Neighborhood and Community Services Program Manager, outlined current policies found in TMC 1.06, 1.80 (repealed in 2016) and TMC 1.90 and provided historical context (I-200 passed in 1998, disparity study launched in 2018, Community Workforce Agreement Task Force in 2018-2019, and I-1000 in 2019). Mr. Armstrong provided an overview of the phased approach of staff recommendations: Phase 1, implement foundation recommendations (present to December 2019; Phase 2, Implement major policy advancements (January 2020 – December 2020); Phase 3, Evaluate, learn, adjust, and revise (January 2021 – December 2023). Outreach will take place in September and October. There will be a mid-biennium budget increase request in November. A joint study session with the Council and Board is scheduled for October 22, 2019. A first reading before the Council is scheduled for October 29 of the OMWBE list; MWBE requirements; and additional workforce agreements.

### Economic Development Strategy

Michael Catsi, Business Development Manager, shared the Economic Development strategy: Develop strategies and principles for engaging with staff and key stakeholders in identifying and maximizing economic development activities and opportunities. For utilities, the focus is in creating more retail demand. Public utilities play a significant role in promoting economic development activity to help grow their communities by strategically working with local and regional economic development partners. Mr. Catsi then discussed key performance indicators, metrics, and priorities. The economic development initiatives: 1) Provide consistent and effective engagement with partners; 2) Establish multi-disciplinary work groups to address needs of new and expanding customers; 3) Compile current utility capacity data for key industrial sites; 4) Create business development marketing plan; 5) Leverage TPU program resources for business development; 6) Communicate importance of economic development; 7) Identify and implement programs that position TPU and encourage job creation and economic growth; and 8) Collaborate with workforce training institutions to create pathways from education and training to work.

### Advanced Meter Project Opt-Out Policy

Matt Hubbard, Power Engineer, shared the purpose of the Opt-Out Policy, which is to provide customers an alternative to a standard advanced meter installation; anticipate and prepare for a small group of concern customers' needs. The core principles are to allow customers an equitable choice of service, while meeting utility equipment requirements; identify and equitably allocate the costs of alternative meter options; understand potential policy impacts on each customer class; educate customers on benefits of an advanced meter. Based on national statistics, TPU anticipates approximately 0.5% of power customers will want to opt out (800 of 176,000). Benefits of advanced metering: 1) Frequent usage data and expanded ways to save money; Easier move in/out and reconnection; 3) Faster outage and leak detection; 4) Flexible payment options including pre-pay and selectable bill date; 5) Budget billing; 6) Monthly billing; 7) Automated meter reading; and 8) Reduced environmental impact. Only options six and seven are available to customers who opt out of having an advanced meter. Mr. Hubbard presented policy options for customers who may want to opt-out. Board Members agreed there would be an electric meter opt-out option. Board Members agreed there would not be an opt-out meter for water. Board Members agreed there would not be a one-time opt-out, set-up fee. Board Members agreed there would be a recurring opt-out fee. The Board will discuss the recurring fee further with consideration to any discounts for low-income customers and the amount.

### Tacoma Power: Power Resource Adequacy

This item was postponed to a future Board study session.

### Tacoma Power: Energy Imbalance Market Services

Director Flowers shared that the contract for Energy Imbalance Market Services will be by direct negotiation and this has been approved by Legal. The Director will forward

more information on this topic to the Board in advance of contract consideration in October.

**Executive Session**

Board Member Flint moved to convene an executive session at 5:25 p.m. for 15 minutes for the purpose of discussing pending and potential litigation per RCW 42.30.110(1)(i); seconded by Board Member Cooley. The executive session was extended at 5:40 for ten minutes. The executive session was adjourned at 5:47 p.m.


**Adjournment**

The study session was adjourned 5:47 at p.m. until the next regularly scheduled study session on Wednesday, October 9, 2019 at 3:00 p.m.

Approved:

  
Karen Larkin, Chair

Approved:

  
Mark Patterson, Secretary