



WEEKLY REPORT TO THE CITY COUNCIL

October 20, 2016

Members of the City Council
City of Tacoma, Washington

Dear Mayor and Council Members:

ACTION REQUESTED

1. Please note the following **2017-2018 Biennial Budget Community Input Meeting:**
 - **Wednesday, October 26th, 6:00 – 8:00 p.m.**
Lincoln High School Cafeteria
701 South 37th Street

ITEMS OF INTEREST

2. The **October 26, 2016 Public Utility Board Agenda** is attached for your information. Please note the following items are scheduled for your consideration on the November 15th City Council agenda:
 - Motion 16-11, the Department of Public Utilities 2017/2018 budget, as submitted and filed with the Clerk of the Board, be accepted and approved and the City Council is requested to approve the same as provided by Section 4.12 of the Charter of the City of Tacoma. (Tentatively scheduled for first reading of the 2017-2018 Biennial Budget Ordinance)
 - U-10887, Authorizing Tacoma Rail to reissue TMBL 8807 switching tariff.

STUDY SESSION/WORK SESSION

3. The **City Council Study Session/Budget Work Session** of Tuesday, October 25, 2016, will be held at Noon, in the City Council Chambers of the Tacoma Municipal Building. Discussion items will include: (1) **General Fund Revenues and Cost Drivers Presentation**; (2) **Tacoma Police Presentation**; (3) **Tacoma Fire Presentation**; (4) **Council Consideration Request – Third Party Consultant for Click! Analysis and Audit**; (5) **Other Items of Interest**; (6) **Committee Reports**; (7) **Agenda Review and City Manager's Weekly Report**; and, (8) **Executive Session – Potential Litigation**.

At Tuesday' Study Session, there will be a **City Council Budget Work Session** where the **General Fund Revenues and Cost Drivers** of the **2017-2018 Biennial Budget** will be presented. **Tacoma Police** and **Tacoma Fire** will also be presenting their budgets.

In addition at Tuesday's Study Session, Council Member McCarthy will share a **Council Consideration Request** for a resolution directing the City Manager to **hire a third party consultant to audit, analyze, and establish a reasonable methodology for cost allocation between Tacoma Power and Click!, and to evaluate the expansion of the Click! Network in the context of an evolving telecommunications and cable industry.** This proposed process would take into account the past and present benefits of Click! to Tacoma Power, as well as the future prospective benefits that could be derived from improvements to the Click! Network.

4. The updated **Tentative City Council Forecast** and **Consolidated Standing Committee Calendars** are attached for your information.

COUNCIL REQUESTS/INQUIRIES

5. During public comment on an agenda item at the October 4th City Council meeting regarding the granting of a multi-family tax exemption for a development project, Mr. Roy Kissler provided **comments to the City Council regarding the time it currently takes to obtain permits from Planning and Development Services (PDS).** In response, PDS Director Peter Huffman provides the following information.

Mr. Kissler is responsible for a large quantity of residential development in Tacoma, primarily on the eastside and southend of Tacoma. Over the last several years, Planning and Development Service (PDS) has tracked the average level of service related to Mr. Kissler's permits. This level of service is captured in two metrics, the first is "days to review" which constitutes only the days the permit was in the permitting system for review. The second metric, "total days" includes the time PDS was waiting for additional information and/or the number of days between the permit being ready to issue and the date it was picked up by Mr. Kissler. Utilizing these metrics, Mr. Kissler's permit timeframes range from as few as 19 "days in review" to as many as 134 "total days" depending on the size, scale and type of residential development permit submitted.

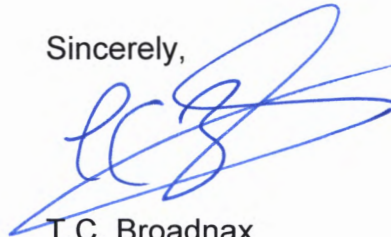
As mentioned by Peter during the PDS 2017-2018 budget presentation on Tuesday, October 11th, PDS will continue to implement several initiatives aimed at improving service delivery and the Department's levels of service to better meet the needs of permitting customers. Specific improvements include modification to the permit review production model, further enhancements to pre-application services and the continued leveraging of the City's investment in the Accela permitting software package. The Master Builders Association along with vested stakeholders and permit customers, such as Mr. Kissler, will be involved in the design and implementation of these initiatives. For additional information, please contact Peter at (253) 591-5373 or phuffman@cityoftacoma.org.

MARK YOUR CALENDARS

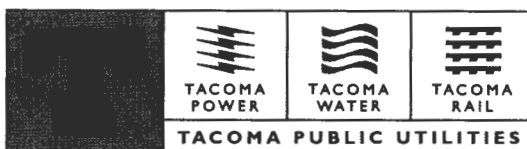
6. You have been invited to the following events:

- **Ten Year Anniversary and Open House for the EnviroHouse on Saturday, October 22nd, from 10:00 a.m. to 4:00 p.m., located at 3510 South Mullen Street.**
- **Graduate Tacoma 2016 Cradle to Career Lunch with Tacoma Students on Friday, October 28th, 11:45 a.m. – 1:15 p.m., at the Greater Tacoma Convention Center, located at 1500 Broadway.**
- **5th Annual Lead the Way Home Breakfast on Thursday, November 3rd, 7:30 -8:30 a.m., at the Foss Waterway Seaport, located at 705 Dock Street.**
- **Asia Pacific Cultural Center 20th Anniversary Celebration on Thursday, November 3rd, 6:00 p.m., at the Greater Tacoma Convention & Trade Center, located at 1500 Broadway.**
- **3rd Annual Holiday Heritage Swing Dance *Remember the Railroad* on Friday, November 4th, 6:00-9:00 p.m., at Freighthouse Square, located at 2501 East D Street, Rainier Room.**
- **71st Annual Holiday Tree Lighting Event on Saturday, November 26th, 5:00 p.m., at the Pantages Theater Lobby, located on the corner of 9th and Broadway.**
- **South Sound Military and Communities Partnership 2016 Fall Elected Officials Council Breakfast on Thursday, December 8th, 8:00 – 10:00 a.m., at the American Lake Conference Center, located at 8085 Nco Beach Road, Joint Base Lewis-McChord.**

Sincerely,



T.C. Broadnax
City Manager



**City of Tacoma
Public Utility Board Meeting
October 26, 2016; 6:30 p.m.
Tacoma Public Utilities Auditorium
(3628 South 35th Street)**

Call to Order

Roll Call

- A. Approve Minutes of Previous Meetings**
- B. Comments by the Public**
- C. Consent Agenda**
- D. Regular Agenda**

Departmental

- D-1 Resolution U-10884 – Award contracts and approve purchases:**
 - 1. Award contract to CCI Systems, Inc., for Cisco routers and migration assistant services (\$1,034,100.11 including sales tax and a trade-in credit of \$78,840.48 for old Cisco equipment; net expense \$955,259.63, including sales tax);
 - 2. Award contract to Avante Solutions, Inc., for the purchase of the IT service management software tool and consulting services for implementation and training (\$525,000, plus sales tax);
 - 3. Increase contract to Regional Disposal Co., for the disposal of solids from the Green River Filtration Facility (\$138,000, sales tax not applicable, plus the option to extend three additional one-year terms for a cumulative total of \$690,000, sales tax not applicable).
- D-2 Motion 16-11 – The Department of Public Utilities 2017/2018 budget, as submitted and filed with the Clerk of the Board, be accepted and approved and the City Council is requested to approve the same as provided by Section 4.12 of the Charter of the City of Tacoma. (Tentatively to Council: November 15, 2016 - First Reading of the 2017-2018 Biennial Budget Ordinance)**
- D-3 Motion 16-12 - Authorize the purchase of comprehensive general liability insurance for December 1, 2016 through November 30, 2017.**
- D-4 Resolution U-10885 – Authorize execution of a contract for professional services with Gordon Thomas Honeywell Government Affairs for state legislative and governmental services for January 2017 to December 2018.**

- D-5 Resolution U-10886 – Authorize execution of a contract for professional services with Gordon Thomas Honeywell Governmental Affairs for federal legislative and executive assistance for January 2017 to December 2018.

Tacoma Rail

- D-6 Resolution U-10887 – Authorize Tacoma Rail to reissue TMBL 8807 switching tariff. **(To Council: November 15, 2016)**

F. Unfinished Business

- F-1 Resolution U-10882 - Amend existing contract with Traversa Consulting, Inc., by \$167,500 for establishment of the Market Communications section for TPU Public Affairs & Communications and Customer Services.





**CITY OF TACOMA, WASHINGTON
OFFICE OF THE CITY COUNCIL
COUNCIL CONSIDERATION REQUEST (CCR)**

TO: City Council Members
FROM: Councilmember Conor McCarthy
COPIES TO: T.C. Broadnax, City Manager; Mark Lauzier, Assistant City Manager; Nadia Chandler Hardy, Assistant to the City Manager; Executive Leadership Team; File
SUBJECT: Click
DATE: October 19, 2016

ITEM/ISSUE PROPOSED FOR COUNCIL CONSIDERATION:

The following item will be scheduled on the agenda of the earliest available Study Session:

We respectfully ask for City Council consideration of a resolution directing the City Manager to hire third party consultant(s) to audit, analyze, and establish a reasonable methodology for cost allocation between Tacoma Power and Click, and to evaluate the expansion of the Click! network in the context of an evolving telecommunications and cable industry. This process will take into account the past and present benefits of Click to Tacoma Power, as well as the future prospective benefits that could be derived from improvements to the Click! network.

BRIEF BACKGROUND:

On December 15, 2015, the City Council approved Resolution 39347 which required Tacoma Power to develop a business, financial and marketing plan to provide Click customers with retail cable television, voice, and internet services. Following a nine-month review by the Click Engagement committee, the committee recommended approval of its 'All-In Compete Business Plan' ("Plan"). On September 28, 2016, the Tacoma Public Utility Board approved Resolution No. U-10879, wherein the Board approved the Plan. The Resolution and Plan rely upon Tacoma Power's most recent O&M cost allocation scheme and further requires an additional contribution of six to ten million dollars per year from "electric revenues" to Click. Per the Resolution, these monies will be used to "appropriately compensate Power's past, current and future beneficial uses of the telecommunications system infrastructure..."

Since its inception, in 1996, Click has been a part of Tacoma Powers' telecommunications system. Click was initially financed with Tacoma Power electric revenues. Since that time, the internal cost allocation between Click and Tacoma Power has changed significantly. Over time, Tacoma Power has substantially increased the cost allocation borne by Click. The most recent shift in the cost allocation is supported by an accountant assessment which relies predominantly upon the cost-accounting recommendations of Tacoma Power. This dramatic change in cost allocation spurred scrutiny as to the financial viability and prospective legality of Click, and has been the key driver underlying the debate over the future of Click. It has also encouraged considerable public scrutiny as to the veracity and appropriateness of the current accounting assumptions and methodology implemented by Tacoma Power. Ultimately, we feel that the concerns raised about the current cost allocation methodology and the implications of said methodology on the proposed Plan are significant and must be resolved prior to making a final decision on the Plan.

Therefore, in order to provide the City Council with the best analysis and information available in its deliberations on the proposed Plan, and further in order to encourage the public's confidence in the process and the underlying assumptions of the Plan, we respectfully ask for City Council consideration of a resolution directing the City Manager to hire third party consultant(s) to audit, analyze, and establish independent reasonable methodology for cost allocation between Tacoma Power and Click, and to evaluate the expansion of the Click! network in the context of an evolving telecommunications and cable industry, as well as the future prospective benefits that could be derived from improvements to the Click! network.

SUBMITTED FOR COUNCIL CONSIDERATION BY:

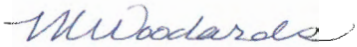

Councilmember Conor McCarthy




**CITY OF TACOMA, WASHINGTON
OFFICE OF THE CITY COUNCIL
COUNCIL CONSIDERATION REQUEST (CCR)**

SUPPORTING COUNCILMEMBERS SIGNATURES (2 SIGNATURES ONLY)

(Signatures demonstrate support to initiate discussion and consideration of the subject matter by City Council for potential policy development and staff guidance/direction.)

1.  _____

DISTRICT# _____ **at large** _____

2.  _____

DISTRICT# _____ **3** _____

3.  _____

DISTRICT# _____ **1** _____

**City of Tacoma 2016
City Council Forecast**

Date	Meeting	Subject	Department
October 25, 2016	Study Session (Council Chambers)	Gen Fund Revenues/Cost Drivers, Police & Fire Budget Presentation	OMB, Police & Fire
		Council Consideration Request-Consultant for Click! Analysis and Au	CM McCarthy
		Executive Session - Potential Litigation (Room 148)	CAO
	City Council Meeting		
November 1, 2016	Study Session (Council Chambers)	Muni Court, Community & Economic Development, Library, and Neighborhood and Community Services Departments	Muni Ct, CED, Library, NCS,
	City Council Meeting	Public Hearing-17/18 Biennial & Capital Budgets/Ad Valorem Tax Lev	OMB
	Transportation Benefit District Gov Board	Public Hearing-17/18 TBD Budget and Spending Plan	PW/OMB
November 8, 2016	Study Session (Council Chambers)	Internal Services, Non-Departmental, and Budget Wrap-up	OMB
	City Council Meeting		
November 15, 2016	City Council Study Session (TMBN Rm 16	Budget Wrap-up if needed	OMB
		Legislative Policy Statement for 2017-2018	GRO
	City Council Meeting	2017-2018 Biennial Budget and ES Rates Ordinances First Reading	Finance/OMB
November 22, 2016	Study Session	Tacoma Mall Neighborhood Subarea Plan and EIS	PDS
	City Council Meeting	2017-2018 Biennial Budget Ordinance Final Reading	Finance/OMB
November 29, 2016	Study Session	Small Business Enterprises & Local Employment Apprenticeship Prog	CED
	City Council Meeting		
December 6, 2016	Study Session		
	City Council Meeting		
December 13, 2016	Study Session	ADA Transition Plan	Human Resources
	City Council Meeting		
December 20, 2016	CANCELLED		
December 27, 2016	CANCELLED		

Community Vitality and Safety		
Committee Members: Woodards (Chair), Campbell, Lonergan, Blocker, Alternate-Mello		2nd and 4th Thursdays
Executive Liaison: Nadia Chandler-Hardy; Staff Support - India Adams		4:30 p.m.
		Room 248
CBC Assignments:	<ul style="list-style-type: none"> • Citizen Police Advisory Committee • Human Services Commission • Human Rights Commission • Housing Authority 	<ul style="list-style-type: none"> • Commission on Disabilities • Library Board • Tacoma Community Redevelopment Authority
	October 27, 2016 Human Services Funding Recommendations	Nadia Chandler Hardy, Director, NCS;
	Tacoma Area Commission on Disabilities Interviews	Pamela Duncan, Human Services Division Manager and Jovan Dumas, Chair, Human Services Commission
	Humane Society Contract	Doris Sorum, City Clerk's Office
Future:		Shawn Stringer, Captain, Police Operations Bureau
	November 10, 2016 CANCELLED	
	November 24, 2016 CANCELLED	
	THANKSGIVING	

Economic Development Committee		
Committee Members: Campbell (Chair), Strickland, Mello, Thoms, McCarthy (alternate)		2nd, 4th, and 5th Tuesdays
Executive Liaison: T.C. Broadnax; Staff Support - Brad Forbes		10:00 a.m.
		Room 248
CBC Assignments:	<ul style="list-style-type: none"> • Tacoma Arts Commission • Greater Tacoma Regional Convention Center Public Facilities District 	<ul style="list-style-type: none"> • Foss Waterway • City Events and Recognition Committee
	October 25, 2016 Prologis Site Update	Martha Anderson, Assistant Director, Community and Economic Development
	City of Tacoma Business Survey Results	Martha Anderson, Assistant Director, Community and Economic Development
	Downtown Commercial Office Incentives	Elly Walkowiak, Business Development Manager, Community and Economic Development
Future:		Doris Sorum, City Clerk
	November 8, 2016 Arts Commission Interviews	Debbie Bingham, Program Development Specialist, Community and Economic Development
	Q2 & Q3 2016 Economic Dashboards	
	November 22, 2016	

Government Performance and Finance Committee		
Committee Members: Loneragan (Chair), Campbell, Thoms, Ibsen, Alternate-Strickland Executive Liaison: Andy Cherullo; Staff Support - David Nash-Mendez		1st, 3rd, and 5th Wednesdays 4:30 p.m. Room 248
CBC Assignments:	<ul style="list-style-type: none"> • Public Utility Board • Board of Ethics 	<ul style="list-style-type: none"> • Audit Advisory • Civil Service Board
Future:	November 2, 2016 MCIMetro Access Transmission Services LLC Franchise Agreement	Jeff Lueders, Cable Communications & Franchise Services Manager, Media and Communications Office
	2015 Federal and Financial and 2014 Accountability exit interview	Susan Calderon, Assistant Finance Director, Finance Department and Linda Mastin, Washington State Auditor's Office
	November 16, 2016 November 30, 2016	

Infrastructure, Planning and Sustainability Committee		
Committee Members: Mello (Chair), Ibsen, Thoms, McCarthy, Alternate-Blocker Executive Liaison: Mark Lauzier; Staff Support - Rebecca Boydston		2nd and 4th Wednesdays 4:30 p.m. Room 16
	October 26, 2016 Commute Trip Reduction LCLIP	Jim Parvey, Assistant Division Manager, Environmental Services Forterra
Future:	November 9, 2016 Sustainable Tacoma Commission Interviews Pharmaceutical Take Back Program Bike Share Update	Doris Sorum, City Clerk Mike Slevin, Director ES/Andy Comstock, TPCHD Jim Parvey, Assistant Division Manager, Environmental Services
	November 23, 2015 CANCELLED-Thanksgiving	