

APPROVED 2-14-18

MINUTES
City of Tacoma
Public Utility Board Study Session
January 24, 2018
3:00 p.m.

Chair Trudnowski called the Public Utility Board study session to order at 3:01 p.m. at the Public Utilities Administration Building.

Present: Monique Trudnowski; Woodrow E. Jones, Jr., Bryan Flint, Karen Larkin, Mark Patterson

Tacoma Power: Undergrounding Policy

Rachel Allen, Assistant Section Manager, reviewed the benefits of undergrounding utilities. Economic benefits include zero lot line development for higher density/land use planning and the opportunity for coordination with city street improvement projects and harmonizing with other city policies and objectives. For the utility, benefits include improved reliability and reduced liability and reduced operating costs. Erik Andersson, Economic Development Manager shared that staff has met with the city's Community and Economic Development Department, developers interested in Local Improvement Districts (LID) and undergrounding policies. The City Council has also heard about this topic at a joint study session. Ms. Allen then provided an overview of the Tacoma Municipal Codes relevant to Public Works projects within the City of Tacoma and provided cost sharing examples with Public Works. The franchise agreements and regional utility overhead and underground contributions were then detailed by Mr. Andersson. An overview of the Tacoma Municipal Codes relevant to developer relocation within the City of Tacoma and developer cost sharing examples were detailed. Commercial underground policy geographic options, commercial underground policy contribution options, financial exposure for policy options were reviewed. Staff recommendation is to utilize the existing TMC for Public Works project contributions and contribute 30 percent for multi-family/commercial distribution underground projects. Financial exposure can be mitigated by limiting the geographic area to the Brewery District, capping the budget for contributions at \$10 million, having a three-year pilot program with annual check-ins with the Board, and having a minimum practical size. Recommended policy contingencies for these recommendations are for the City to require customers to convert their service connection and require other utilities (telecom) to convert to underground. Next steps in this process are to circle back to the Board at the February 14 study session and Board consideration for the policy at a future meeting. There was discussion about the staff recommendations. Staff will provide the Board with additional information prior to the February 14 study session.

Customer Satisfaction Survey Results

Dan Drennan, Marketing and Development Manager, made introductory remarks. Holly Lucht, Marketing Development Research Analyst reviewed the methodology for this year's study. In addition to the traditional phone polling, an online component was added. Ms. Lucht then walked through the survey results. Key recommendations from the study results were then outlined: 1) Enhance rate communications (increase channels for broader customer and market reach; review rate communications best practices, revise messages, consider conducting message testing among customers, clarify differences between Water and Environmental Services including rates, highlight conservation/behavioral measures, describe how TPU controls costs, increase low-income assistance communications, and increase budget billing enrollment); 2) Continue to improve outage communications; 3) Increase communications for new customers, including a possible welcome kit. Discussion ensued and staff will provide the Board with additional information.

Recruitment Update for Director of Utilities

Executive recruiter, Carl Mycoff, began by reviewing the proposed recruitment timeline with February 16 as the key date for providing a list of candidates and then working with the Board by the first week of March to identify those who will advance to the interview round. The plan is to advance three finalists for Council consideration. Future work includes further examination of stakeholder feedback, development of interview questions, and the consideration of scoring/screening/weighting process and criteria.

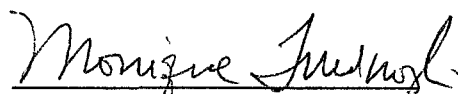
Executive Session

Board Member Flint moved to convene an executive session at 5:45 p.m. for 15 minutes to discuss pending and potential litigation (RCW 42.30.110(1)(i)); seconded by Mr. Jones. Voice vote was taken and carried. At 6:00 p.m., the executive session was extended by five minutes. The executive session was adjourned at 6:05 p.m.

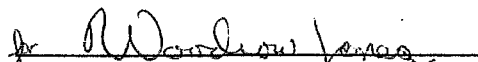
Adjournment

The study session was adjourned at 6:05 p.m. until the next regularly scheduled study session on Wednesday, February 14, 2018 at 3:00 p.m.

Approved:


Monique Trudnowski, Chair

Approved:


Karen Larkin, Secretary