



APPROVED 11/5/25

MINUTES
City of Tacoma
Public Utility Board Study Session
October 22, 2025
3:00 p.m.

Chair O'Loughlin called the Public Utility Board study session to order at 3:00 p.m. in the third-floor conference room (LT1) of the Public Utilities Administration Building.

Present: John O'Loughlin; Elly Claus-McGahan; Devin Hampton; Anita Gallagher; William Bridges

Annual Cyber Security Update and Training

Nate Walters, Cybersecurity Operations Manager, provided an overview of how his work group supports utility modernization via operations; vulnerability management; security design reviews; network monitoring; and providing a foundation and consistency via policies, plans, and standards. There is a new regulatory requirement that requires TPU to monitor, detect, evaluate, and retain traffic between systems in our control centers. Mr. Walters spoke about how TPU is responding to this new requirement. How TPU is addressing cyber threats was reviewed. This is done via detection and response; managing vulnerabilities; network/security design; and cybersecurity incident response exercises. The Board then received their annual cybersecurity training, which included phishing awareness, password management, multi-factor authentication, and personal awareness and actions.

Tacoma Water: Water System Development Charges

Andrew Zaremba, Principal Data Analyst, and Ryan Cox, Asst. Water Division Mgr, provided the information in this presentation. As background, System Development Charges (SDCs) and their role in funding utility infrastructure was shared; these are one-time fees to cover the cost of system upgrades or expansion to accommodate new users. It is largely governed by RCW 35.92.025 (authority to make charges for connection to water or sewerage systems). The SDC is due at the time of meter purchase and represents the equitable share of existing and future capacity. The SDC was updated and approved in 2019 and effective in 2020. It has been six years since the last update. AMI provides new consumption data insights that were not available with previous billing data. The SDC study aligned the system needs through 2030 and addresses infrastructure changes and future needs. It will also reflect new capital

investments and recover an equitable share of capital system costs from growth over time. The total SDC revenue for the five-year period was \$12.1M. Graphical representations of methodology, study results, fee schedule, meter and fire suppression, and peer utilities were reviewed. The SDC will come to the Board meeting on November 5 and then proceed to Council for approval.

Tacoma Power: Cowlitz Restoration and Recovery Program

Melora Shelton and Matt Peter, Natural Resources Analysts, presented the information in this presentation. The Cowlitz Restoration and Recovery Program (CRR) program protects and promotes the restoration and recovery of ESA-listed upper Cowlitz River basin salmon and steelhead. CRR funds are used to pay for resource projects. Cowlitz Fisheries Technical Committee determines how funds are spent. The CRR was Board authorized in 2019 via Resolution U-11086. Program implementation, progress to date, CRR fund status, and awards received were summarized. The last resolution authorized and anticipated use of \$1.5M, an additional \$3M award authorization for the biennium, and an additional award authorization for exceptional opportunities. Staff will be seeking CRR program authorization that includes ongoing fund use authorization, that maintains/clarifies the Director's authorities and ability to delegate with governance flexibility addressed at the program level.

Board Guiding Principle Work Status Update

Director Flowers provided introductory remarks. This update is a point in time check in on the work Board Members and Subject Matter Experts (SMEs) are doing to update the Board's Guiding Principles (GPs). Board Member Gallagher is working with Treena Colby, Market Research and Development Manager on the Customer Experience GP. Alice Massara, Strategic People Programs Manager, and Holly Lucht, Market Research and Development Manager are working on the Employee Experience GP with Board Members Bridges and Hampton. Board Members O'Loughlin and Claus-McGahan are working with Dan Drennan, Market Research and Development Manager, and Martha Lantz, Deputy City Attorney, on the Resource Stewardship and Sustainability GP. The draft framework on these three GPs were shared. Staff will continue to fine tune the materials and will work towards Board approval in January 2026.

Board/Director Comments/Updates

Kari Halliday, Rail Chief Mechanical Officer, reported that the work taking place under Rail's janitorial contract has been unsatisfactory. Staff will come to the Board at a future Board meeting for consideration of a new janitorial vendor for Tacoma Rail.

Board Chair O'Loughlin reviewed the items discussed at the October 21 GPFC meeting.

Board Member Claus-McGahan made positive remarks about attending the Multi-cultural Child and Family Hope Center event.

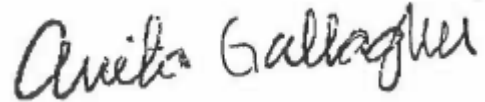
Adjournment

The study session was adjourned at 5:53 p.m.

Approved:

A handwritten signature in blue ink, appearing to read "John O'Loughlin".

John O'Loughlin, Chair

A handwritten signature in blue ink, appearing to read "Anita Gallagher".

Anita Gallagher, Secretary