



APPROVED 1/14/26

MINUTES  
City of Tacoma  
Public Utility Board Study Session  
December 10, 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; William Bridges; Anita Gallagher, Devin Hampton

**Tacoma Power: Mayfield Dam Juvenile Bypass Project**

Gus Garcia, Sr. Engineering Project Manager, and Matt Bleich, Natural Resources Manager, provided the information in this presentation. Generation's investment portfolio consists of the relicensing program, fisheries program, dam safety program, unit modernization program, and other projects driven by asset management and business needs. Maps and other graphical representations of the Cowlitz River basin, Mayfield Dam existing fish passage elements, juvenile fish passage route, existing fish passage conditions, performance metrics, and proposed fish passage options were detailed. The project goal is to expand juvenile fish migration and survival between Mayfield Lake and the Cowlitz River through improved passage conditions at Mayfield Dam. Project benefits, cost, schedule, and an overview of contracts that will require Board consideration in the future were reviewed.

**Tacoma Power: Power Open Access Transmission Tariff**

Jing Liu, Power Rates and Forecasting Mgr, and Rick Applegate, Principal Data Analyst, presented the information in this presentation. The Open Access Transmission Tariff (OATT) is a charge for one utility or market participant to use another utility's transmission lines. While not required by the Federal Energy Regulatory Commission (FERC), Tacoma Power voluntarily offers access to other utilities as a best practice and provides transmission service to the Bonneville Power Administration (BPA) for transmission service. The OATT was created in 2012 and has an annual revenue of nine to ten million dollars. Transmission rates, ratemaking principles, transmission rates, history, proposed updates, cost pressures, and peer utility transmission rates were reviewed. Modifications for the proposed tariff has been posted and BPA notified

in November. This item will come to both the Board and Council in 2026 for an effective date of April 1, 2026. The plan is to evaluate the OATT on a biennial basis.

### **Tacoma Water: Water Reserve Fund**

Dana Larsen, Water Division Mgr, shared that current balances of Water's reserve fund exceed policy limits. Staff is working on a policy and plan to reduce and level set the fund while ensuring reserves balance risk, resilience, and ratepayer value. Ms. Larsen provided details on the current reserve fund policy, current debt reserve policy, and liquidity/cash balance. Recommend policy updates include maintaining a one percent capital reserve; revisions to the operating reserve (target 90 days); and changes to the system development charge fund. The spend down strategy includes such options as recalibrate the financial model, change assumptions used for forecasting, defer 2026 planned bond issuance, cash-fund warehouse construction, increase capital budgets, and assign a greater share to the system development charge fund. Approved changes will be incorporated into the 2027/2028 financial and budget planning and spend down strategies into the long-range forecasts.

### **Board Guiding Principles Update**

The Board reviewed the latest versions of the three Guiding Principles that will be considered at a future Board meeting: 1) Resource Stewardship and Sustainability; 2) Customer and Community; 3) Employee and Culture.

### **Board/Director Comments/Updates**

Director Flowers reported that incident commands have been stood up for Power and Water in response to flood conditions. Keri Burchard-Juarez, Water Superintendent, and Ying Hall, Acting Power Superintendent, reported on the flood impacts and operational response for their respective divisions.

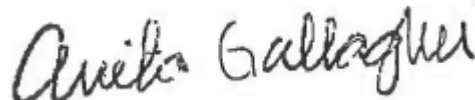
### **Adjournment**

The study session was adjourned at 6:00 p.m.

Approved:



John O'Loughlin, Chair



Anita Gallagher, Secretary