

City of Tacoma

City Council Action Memorandum

TO: Hyun Kim, Interim City Manager

FROM: Council Member Joe Bushnell and Senior Council Policy Analyst Lynda Foster

COPY: City Clerk and City Council

SUBJECT: Ordinance - Public Utility Board Stipends - November 18, 2025

DATE: November 5, 2025

SUMMARY AND PURPOSE:

An ordinance amending Title 1 of the Municipal Code to add a new section, TMC 1.12.157, regarding Compensation of Public Utility Board Members, and amending section TMC 1.30.300 to exclude Public Utility Board Members from inclusion in the City's retirement program, effective January 1, 2026.

COUNCIL SPONSORS:

Mayor Woodards, Council Member Joe Bushnell, and Council Member Walker

BACKGROUND:

This Department's Recommendation is Based On:

This ordinance will establish an annual stipend of \$19,152 per year to Public Utility Board Members, provided as a monthly stipend of \$1,596.

Section 4.8 of the City Charter outlines the Public Utility Board to be composed of five members, appointed by the Mayor and confirmed by the City Council. Resolution outlines an interview process through the City Council Government Performance and Finance Committee.

The duties of the Public Utility Board are outlined in TMC 1.06.490 and the City Charter. The Tacoma Public Utility Board holds significant responsibility in overseeing essential services that impact nearly every household and business in the region, including the management and strategic direction of Tacoma Power, Tacoma Water, and Tacoma Rail. Board members are tasked with making complex, high-stakes decisions about multi-million-dollar budgets, infrastructure investments, environmental stewardship, rate structures, and long-term planning that directly affect the well-being and economic stability of the community. Due to the magnitude of these responsibilities, PUB members are expected to engage in high-level oversight involving technical, financial, environmental, and policy issues that significantly affect the quality of life and economic vitality of the region. This sets the PUB apart from other CBCs and underscores the need for board members with professional-level expertise and the capacity to manage complex strategic decisions for a multi-utility public agency.

The stipend amount is an average of reviewed Boards/Commissions that do similar work:

- Commissioners of public utility districts receive \$1,800 per month (WAPUDA is comparable to the PUB's body of work)
- Parks Tacoma commission members receive \$1,288 per month (Parks Tacoma is an example of a local stipend)
- Peninsula Light Company receives \$1700 a month (PUD serving the Gig Harbor area. 32,000 electric customers, compared to our 180,000)

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

Recruitment efforts to bring in volunteers of different backgrounds to the Public Utility Board have daylighted barriers to volunteering. People who would have been valuable, qualified applicants have informed Council Members they'd be unable to take on a time-consuming role without additional support.



City of Tacoma

City Council Action Memorandum

2025 STRATEGIC PRIORITIES:

Equity and Accessibility: (Mandatory)

Socio-economic barriers are challenges rooted in an individual's financial and social circumstances that limit their ability to participate in activities such as volunteering. These obstacles are particularly prevalent in communities where systemic inequities, like poverty or a lack of access to resources, exist. These barriers disproportionately affect people of color, immigrants, and other marginalized communities.

Economy/Workforce: *Equity Index Score*: Moderate Opportunity

Increase the number of infrastructure projects and improvements that support existing and new business developments. Increase positive public perception related to the Tacoma economy.

Civic Engagement: *Equity Index Score*: Moderate Opportunity

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

Increase the number of residents who participate civically through volunteering and voting.

Explain how your legislation will affect the selected indicator(s).

Given this level of responsibility, serving on the Utility Board is far more than a ceremonial role. It requires a deep time commitment, ongoing study of technical and regulatory issues, and frequent engagement with staff and stakeholders to make informed decisions in the public interest. Without financial stipends, we risk limiting service on the board to only those with the economic privilege to volunteer their time without compensation. To ensure the Board reflects the full diversity and lived experiences of Tacoma's ratepayers, we must create equitable pathways for participation. Offering stipends honors the seriousness of the role, reduces economic barriers to service, and helps build a more inclusive, representative board capable of stewarding our public utilities with accountability, transparency, and fairness.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)	
1. Compare compensation to alternative Boards/Commissions	Could allow us to tailor compensation to match industry practices	May shift the review to less comparable volunteer positions.	
2. Take no action	Preserve resources for other priorities	Limit support for a key volunteer role	
3. Provide stipends for a broader range of Committee, Board, and Commission volunteers	Reduce barriers to volunteer participation across City priority areas	Limited financial resources available	

EVALUATION AND FOLLOW UP:

Further discussion and review of PUB stipends should occur as part of the Government Performance and Finance Committee's regular review of TPU rates.

STAFF/SPONSOR RECOMMENDATION:

Sponsors recommend passing this proposed Ordinance and providing stipends to PUB members.



City of Tacoma

City Council Action Memorandum

FISCAL IMPACT:

Fund Number & Name	Cost Object (cc/wbs/order)	Cost Element	Total Amount
1. 575100 - Director's	75000001		\$95,760
2.			
TOTAL			\$95,760

What Funding is being used to support the expense?

Funding for this proposal would come from the TPU budget. This expense is accounted for in TPU's current budget.

Are the expenditures and revenues planned and budgeted in this biennium's current budget? YES

Are there financial costs or other impacts of not implementing the legislation? No

Will the legislation have an ongoing/recurring fiscal impact? YES

Will the legislation change the City's FTE/personnel counts? No

ATTACHMENTS:

N/A