



APPROVED 9-9-15

MINUTES
City of Tacoma
Public Utility Board Study Session
August 26, 2015
3:00 p.m.

Mr. Flint called the Public Utility Board study session to order at 3:00 p.m. at the Public Utilities Administration Building.

Present: Woody Jones, Mark Patterson, Bryan Flint, Monique Trudnowski , Karen Larkin

TPU Quarterly Financial Outlook

Bill Zimmerman, Water Utilities Economist, presented an overview of the Puget Sound Economic Forecaster, Pierce County Annual Forecaster, Monthly Leading Index, and shared graphical illustrations of rain's effect on demand.

Tacoma Water: Linda McCrea, Water Superintendent, provided an overview of the forecast assumptions, summary of outlook, water retail sales and revenues, revenue and expense summary, and estimated current cash fund balance.

Tacoma Power: Chris Robinson, Power Superintendent, provided an overview of the forecast assumptions, summary of outlook, electric retail sales and revenues, wholesale sales and revenues, revenue and expense details, current outlook versus previous quarter, and projected liquidity balance.

Tacoma Rail: Dale King, Rail Superintendent, provided an overview of summary of assumptions, summary of financial situation, intermodal and commercial volumes, biennium adjusted estimates, quarter forecast comparison, and the current fund cash fund balance.

Tacoma Water: Renewal of Pierce County Water Franchise

Heather Pennington, Deputy Water Superintendent, reported to the Board that a new 15-year franchise between Tacoma Water and Pierce County was approved by the Pierce County Council on August 18, 2015. It will be presented to the Board for approval on September 9, 2015.

Tacoma Water: Temporary Wholesale Water Purchase Agreement with Lakehaven Utility District

Chris McMeen, Deputy Water Superintendent, outlined water supply mitigation options, one of which is a water purchase agreement with the Lakehaven Water Utility District. Objectives of a potential deal with Lakehaven Utility District were summarized by Mr. McMeen. Sean Senescall, Rates and Financial Planning Manager, provided an overview of contract pricing.

Tacoma Power: Click! Update

Chris Robinson, Power Superintendent, provided a review of the last Board and Council meetings regarding Click!. Options for Click: 1) All-in retail best case scenario (gigabit for all); 2) Wholesale-only best case scenario; and 3) Lease option were detailed by consultant, Doug Dawson. Policy issues were then discussed.

Executive Session

Board Member Trudnowski made a motion to convene an executive session at 5:20 p.m. until 5:45 p.m. for the purposes of reviewing the performance of a public employee per RCW 42.30.110(1)(g); seconded by Board Member Jones. At 5:45 p.m., the executive session was extended for 15 minutes. The executive session was adjourned at 6:00 p.m.

Adjournment

The study session was adjourned at 6:00 p.m. until the next regularly scheduled study session on Wednesday, September 9, 2015 at 3:00 p.m.

Approved:

Approved:

Bryan Flint, Chair

Monique Trudnowski, Secretary