



APPROVED 2-25-15

City of Tacoma
Public Utility Board Meeting
February 11, 2015
6:30 p.m.

Mr. Jones called the Public Utility Board meeting to order at 6:30 p.m. at the Public Utilities Administration Building.

Present: Woodrow Jones, David Nelson, Bryan Flint, Monique Trudnowski, Mark Patterson

The meeting was quorate.

Minutes of the Previous Meetings

Mr. Flint moved that the minutes of the previous meetings be adopted; seconded by Mr. Patterson. Voice vote was taken and carried. The minutes were declared adopted and made part of the record.

Recognitions

There were no recognitions.

Comments from the Public

A public hearing on the proposed Tacoma Power and Tacoma Water rates was held. Jim Sant, Deputy Director for Administration, summarized the rate adjustments and described the stakeholder outreach that took place. There were no public comments regarding rates.

Consent Agenda

There were no items on the consent agenda.

D-1 Motion 15-02 – Authorize amendment to Tacoma Public Utilities’ insurance coverage to include coverage for Tacoma Water’s filtration plant from December 16, 2014 to the end of the current policy term, June 30, 2015.

Mr. Flint moved to approve the motion; seconded by Mr. Patterson.

Voice vote was taken and carried. The motion was approved.

D-2 Resolution U-10751 - Increase, renew, and combine two separate consulting contracts with Traversa Consulting, Inc. for strategic planning services for the TPU Public Affairs and Customer Services Divisions.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Bob Mack, Deputy Director for Public Affairs summarized the resolution. In 2014, Traversa Consulting assisted Public Affairs, TPU Customer Solutions, and CMS Marketing Communications to begin the process of designing their respective organizational structures; further work is needed to implement several elements of the plan. Also in 2014, Traversa Consulting assisted Customer Services in updating its strategic plan and plan implementation is required.

In response to Board requests, Mr. Mack and Steve Hatcher, Customer Services Manager, spoke to the value that will be added to TPU with these contracts, and shared examples of past successes with this contractor.

Voice vote was taken and carried. The resolution was adopted.

D-3 Resolution U-10752 – Authorize execution of a water system acquisition agreement between the Andrain Road Water Association and Tacoma Water.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Mr. Flint moved to amend page 1, line 23 of the resolution by changing “Fennel Heights” to “Andrain Road”; seconded by Mr. Patterson.

Voice vote to amend the resolution was taken and carried.

Ryan Flynn, Sr. Principal Engineer, summarized the resolution. This agreement establishes the terms and conditions under which Tacoma Water will acquire the Andrain Road Water Association service area and provide direct retail water service to its members. Authorization of the agreement will allow Tacoma Water to replace the existing Andrain water system as part of acquisition of the service area. The cost of replacing the water system would be borne by the members of the Andrain water system through a customer surcharge over an estimated 30-year period. Mitch Polk, Secretary of the Andrain Road Water Association made positive remarks about this agreement and its benefits to Andrain Road residents. Mr. Polk thanked Tacoma Water staff for all of the work and urged Board approval of this agreement.

Voice vote was taken and carried. The resolution was adopted.

D-4 Resolution U-10753 – Increase and extend contract with DeAngelo Brothers, Inc., for vegetation management control within the railroad right-of-way.

Mr. Flint moved to adopt the resolution; seconded by Mr. Patterson.

Kyle Kellem, Rail Roadmaster, summarized the resolution. This would authorize approval to increase an existing vegetation management contract for vegetation management. Based on this contractor’s past performance and territory familiarization, approval is recommended.

Voice vote was taken and carried. The resolution was adopted.

Mr. Flint moved to suspend the rules to consider walk-on Motion 15-03; seconded by Mr. Patterson.

Voice vote to suspend the rules taken and carried.

Motion 15-03 – Authorize settlement in the case of Lochridge vs. the City of Tacoma.

Mr. Flint moved to approve the motion; seconded by Mr. Patterson.

Bill Fosbre, Chief Deputy City Attorney, stated that upon concurrence by the City Council, this motion would allow the Director of Utilities to authorize settlement in the lawsuit of Joseph Lochridge vs. the City of Tacoma; U.S. Federal District Court Case No. 3:14-cv-05053-RJB in the amount of \$323,348. A confidential memorandum has been provided to the Board in advance.

Voice vote was taken and carried. The motion was approved.

H. Reports of the Director

There were no reports from the Director.

I. Comments by the Board

Ms. Trudnowski complimented staff on the study session presentation given earlier in the day on TPU's low-income assistance programs.

Mr. Patterson made positive remarks about Power conservation staff working at a local school science fair.

Mr. Jones thanked staff for the work on Power and Water rates. Mr. Jones also recognized the passing of former TPU Director, Paul Nolan. Positive remarks about Mr. Nolan's service to the community and TPU were made.

J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 7:142 p.m. until Wednesday, February 25, 2015, for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:

Woodrow E. Jones, Jr., Chair

Mark Patterson, Secretary