



APPROVED 6-17-15

MINUTES
City of Tacoma
Public Utility Board Study Session
May 27, 2015
3:00 p.m.

Mr. Jones called the Public Utility Board study session to order at 3:03 p.m. at the Public Utilities Administration Building.

Present: Woody Jones, Dave Nelson, Mark Patterson, Bryan Flint, Monique Trudnowski (arrived 3:08)

Audit Exit Conference

Doug Swanson, Utilities Accounting Manager, made introductory remarks and introduced Olga Darlington and Jennifer Chu of Moss Adams accounting firm. Ms. Darlington summarized the auditor's opinion and reports and communication with the governing body during the audit. TPU has received an unmodified opinion; the financial statements are presented fairly and in accordance with US GAAP. No journal entries had to be posted as result of the audit.

Tacoma Power: Electrical Code Amendments

Director Gaines made introductory comments. Tacoma Power performs electrical inspections for the City and administers the electrical code. James Hellman, Chief Electrical Inspector, outlined proposed changes to the electrical code, which is located in Chapter 2.04 of the City of Tacoma Municipal Code. Amendments include changing standards for electrical installations, clarification of definitions, service connections, owner permits, unpaid permit applications, and quantities of inspections. Fee modifications were also summarized. Stakeholder outreach was conducted with no feedback received on proposed changes. The proposed amendments are subject to Board and Council approval.

Tacoma Water: RockTenn (Westrock) Contract

Chris McMeen, Deputy Water Superintendent, provided a history of water supply to the Simpson/RockTenn/Westrock mill from 1928 to the present. The existing water supply agreement expires on July 31, 2015. RockTenn/Westrock has requested a contract extension and Tacoma Water's alternative considerations were summarized. Tacoma Water is committed to renegotiating the terms with RockTenn/Westrock with a focus on rates and revenue, the environment, infrastructure, supply, and financial certainty. Sean Senescall, Rates and Financial Planning Manager, outlined a recommended contract-

enabled, five-year extension which preserves the existing pricing provisions. The extension is subject to Board approval.

Tacoma Water: Water Supply Update

Glen George, Water Supply Manager, detailed Tacoma Water's sources of water at the Green River, Howard Hanson Dam, and groundwater system. Given the severe lack of snowpack this past winter, and in order to further protect both instream flows and water supply needs, Tacoma Water will utilize groundwater supplies earlier and to a larger extent than normal. The analysis of the water supply outlook is that despite the drought declaration, with continued adaptive management, normal minimum instream flows can be maintained in the Green River while continuing to meet water supply needs for customers.

Adjournment

The study session was adjourned at 5:22 p.m. until the next regularly scheduled study session on Wednesday, June 10, 2015 at 3:00 p.m.

Approved:

Approved:

Woodrow E. Jones, Jr., Chair

Mark Patterson, Secretary