



APPROVED 1-27-16

MINUTES
City of Tacoma
Public Utility Board Meeting
January 13, 2016
6:30 p.m.

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

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

The meeting was quorate.

Minutes of the Previous Meetings

Mr. Patterson moved that the minutes of the previous meetings be adopted; seconded by Ms. Trudnowski. 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

There were no comments from the public.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

- D-1 Resolution U-10837 – Award contracts and approve purchases.
1. Award contract to Northend Truck Equipment, Inc., for the purchase of one new flatbed with a knuckle boom crane (\$236,895.97, plus sales tax);
 2. Award contract to Terex Utilities, Inc., for the purchase of one new digger derrick flatbed body (\$305,270, plus sales tax);
 3. Award contract to Cognizant Technology Solutions for professional services in support of the migration of the utility bill and other forms to a new technology platform (\$604,211, plus an approximate 10 percent contingency for a cumulative total of \$650,000, sales tax not applicable);
 4. Award contract to Electric Power Systems, Inc., for engineering consulting services to complete design and permitting related to the Puyallup Avenue Bridge Replacement Project (\$281,300, sales tax not applicable);

5. Award contract to Pape & Sons Construction Inc., for the construction of ductile iron water main within the City of Federal Way (\$417,141.05, plus sales tax).

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

In response to a Board inquiry regarding items number one and two regarding how the estimated savings percentage is reached, Don Ashmore, Fleet Manager, stated the amount is based on market value of the item. The percentage is what TPU would save off the market price.

In response to a Board inquiry on item number four regarding any changes in the scope and reasons for the requested increase, Joe Rempe, Principal Engineer, answered that during the original contract in working with the city on relocating TPU facilities challenges were discovered that the consulting engineer had to examine. In addition, the city's contract addresses only one third of the bridge. Two thirds of the bridge is not part of the original project, but TPU still has to plan for it so that portion was added to the contract.

In response to a Board request for what is included in item number three, John Hoffman, Customer Services Operations Manager stated that the contract will address complex rules and programming for all bill variations that need to be built. The contract includes testing, training, and blueprinting.

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

- D-2 Motion 16-01 – Confirm the appointment of two Board Members to be named to the Click! Engagement Committee for a term commensurate with their terms on the Public Utility Board.

Mr. Patterson moved to approve the motion; seconded by Mrs. Trudnowski.

Mr. Patterson moved to strike all of the language of the original motion and substitute the language below:

Substitute Motion 16-01 – Confirm the appointment of the members of the Click! Engagement Committee as approved under City Council Resolution No. 39360 including Board Members Karen Larkin and Mark Patterson for a term commensurate with their terms on the Public Utility Board; seconded by Mrs. Trudnowski.

There was no public comment on the substitute language.

Voice vote to enter the substitute language was taken and carried.

There was no public comment on the substitute resolution.

Voice vote on the substitute resolution was taken and carried.

- D-3 Resolution U-10838 – Approve declaration of surplus utility specific equipment for two station transformers, two enclosed metal-clad switchgear, and eight

tower assemblies no longer needed for Tacoma Power's current or future needs and authorize the sale of equipment to the highest responsive bidder.

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

Dale Loveland, Power Network Supervisor, summarized the resolution. As Tacoma Power decommissions the obsolete East "F" Substation and its electrical components, prior to rehabilitation of the site, the utility has determined the existing substation equipment is no longer needed or necessary for continued normal operations due to age, reliability, or damage.

In response to a Board inquiry regarding the use of the surplus equipment after bid, Mr. Loveland stated that some bidders have found equipment salvageable in the past but typically it is sold for scrap. In response to a Board inquiry, Mr. Loveland stated there is no historic value of the equipment.

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

D-4 Resolution U-10839 – Approve declaration of surplus utility specific equipment for 285 distribution transformers/overhead equipment no longer needed for Tacoma Power's current or future needs and authorize the sale of equipment to the highest responsive bidder.

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

Board Member Flint recused himself and remained at the dais.

Dale Loveland, Power Network Supervisor, summarized the resolution. The utility has determined the equipment is surplus to its needs and no longer necessary for continued normal operations due to age, reliability, or damage.

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

H. Reports of the Director

Director Gaines reported that TPU is about to begin construction of the Community Solar project. Power Superintendent, Chris Robinson summarized the project and the opportunity to the public to purchase units. The project entails installing solar panels on the roof of Tacoma Power warehouse. The benefit is it allows individuals who can't participate in solar paneling at their homes to participate in owning units of the Community Solar project, the output of which goes into the local grid. Citizens can take advantage of incentives provided by the state so they can receive back a financial payment and be compensated by Tacoma Power for energy the panels produce.

Chris Gleason, Community and Media Services Manager, stated that citizens can find information on the TPU website.

H-1 November cash projections for Power, Water, Rail

H-2 November financials for Power, Water, Rail, Fleet, Self-Insurance Fund

I. Comments by the Board

Mr. Flint made positive remarks on the development of the Community Solar project.

Mr. Flint stated that the Click! business plan is underway and the committee work will soon begin.

J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 6:55 p.m. until Wednesday, January 27, 2016, for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:

Bryan Flint, Chair

Monique Trudnowski, Secretary