



APPROVED 5-25-16

MINUTES
City of Tacoma
Public Utility Board Study Session
May 11, 2016
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: Bryan Flint, Woodrow Jones, Mark Patterson, Karen Larkin (arrived 3:08)
Excused: Monique Trudnowski

Customer Service: Budget Strategic Plan

Steve Hatcher, Customer Service Manager, began by sharing Customer Services' mission which is to engage customers through exceptional service and customer-focused solutions. Mr. Hatcher then reviewed the strategies on which the budget will be built. These include empowering customers with easy to use self-service tools, empowering staff with robust and modern utility tools, and routing customers to subject matter experts. Completed strategic initiatives were then detailed. These include the implementation of bill exception handling, automated lien tool, lobby remodel/queuing system, replaced bill inserter, and replacing field investigations mobile devices. Active initiatives include utility bill redesign, implementation of a new low income bill credit program, and implementing and staffing a performance solutions team. Planned initiatives include a MyAccount and cashiering system upgrade, IVR optimization, and implementation of a business solutions team for small and mid-sized business segments. Primary budget drivers for the next biennium include replacing the escrow and pledge websites, Verint (workforce forecasting tool) upgrade, labor changes (conservation loan servicing and performance solutions), and customer satisfaction. Next steps in the budget process include a budget presentation to the Board on August 24, 2016.

Customer Service: MyAccount 2.0

Mike Hill, Assistant Customer Service Manager, provided the background of MyAccount. The effort began when TPU was informed that Tacomaservices.org would no longer be supported by SAP as an on-line bill payment option. MyAccount was launched in 2013 and since implementation almost 60 percent of the customer base has registered and over 1.7 million self-service transactions have been completed. Several opportunities have been identified to improve the customer experience with MyAccount 2.0; which include a technology upgrade and responsive web design, summary billing for commercial customers, improved payment processing, and improved communication. Benefits and outcomes of each of these opportunities were detailed. Mr. Hill concluded by detailing the project cost and timeline. The anticipated start date is August 2016 with implementation in the second quarter of 2017.

Tacoma Power: Bonneville Power Administration Product Selection

Cam LeHouillier, Integrated Resource Plan Manager, provided background on Tacoma Power’s purchasing of power from the Bonneville Power Administration (BPA). The contract provides half the energy delivered to customers at a cost of \$120M per year. Utilities may opt for a different product by May 31 and the new product would apply from October 2019 to September 2028. Mr. LeHouillier detailed the different BPA contract options (Block and Shaped Block) and detailed the differences of each option. Graphical representations illustrating quantity of energy and differences with each option were detailed. The benefits and cost with each BPA contract option was reviewed. Staff recommendation is that Tacoma Power remains with the Block/Slice product. Under most hydrologic conditions, this product provides Tacoma Power with more energy, greater portfolio flexibility at a lower per MWh cost.

Tacoma Water: Bonney Lake Water Wholesale Agreement

Chris McMeen, Deputy Water Superintendent, provided an overview of the current water wholesale contract with Bonney Lake. The Tacoma-Cascade agreement and Bonney Lake’s purchase of Cascade’s capacity was reviewed by Sean Senescall, Water Rates and Financial Planning Manage. Mr. Senescall detailed the key provisions of the proposed merged contract. Bonney Lake has reviewed the contract and a review by the Community Development Subcommittee of the Council is scheduled for May 17th. Bonney Lake’s City Council workshop and public hearing is scheduled for June 7 with a final public hearing on June 14. This item is planned to be brought before the Board for consideration at its June 22 meeting.

Miscellaneous

Chris McMeen, Deputy Water Superintendent, provided an update on the water quality/lead situation. Tacoma Water has identified list of candidate connections that may have lead goosenecks and the number is down substantially to approximately 1,300 versus the 1,700 initially reported. Communication continues with owners and renters receiving direct mail, followed up with door hangars in multiple languages, and door-to-door conversations with residents. Twelve homes are now being sampled, six of which have lead gooseneck connections. Results from the lab are pending, but initial results show lead levels inside the homes are far below federal requirements. At-the-meter sampling was done in addition to the in-home sampling and those show higher levels; Tacoma Water is investigating what triggers that at-the-meter reading and will be communicating on that. When the lab results are complete, reports in both technical and plain language will be prepared and outreach to the Council, Board, media, and other stakeholders will take place.

Director Gaines updated the Board on the University of Washington Tacoma efforts to develop a law school.

Adjournment

The study session was adjourned at 5:25 p.m. until the next regularly scheduled study session on Wednesday, May 25, 2016 at 3:00 p.m.

Approved:

Approved:

Bryan Flint, Chair

Monique Trudnowski, Secretary