



RESOLUTION NO. U-10977

1
2 A RESOLUTION related to the purchase of materials, supplies, equipment
3 and the furnishing of services; authorizing the City officials to enter into
4 contracts and, where specified, waive competitive bidding requirements,
5 authorize sale of surplus property, or increase or extend existing
6 agreements.

7 WHEREAS the City of Tacoma, Department of Public Utilities, requested
8 bids/proposals for the purchase of certain materials, supplies, equipment and/or
9 the furnishing of certain services, or proposes to purchase off an agreement
10 previously competitively bid and entered into by another governmental entity, or
11 for the sales of surplus, or desires to increase and/or extend an existing
12 agreement, all as explained by the attached Exhibit "A," which by this reference
13 is incorporated herein, and

14 WHEREAS in response thereto, bids/proposals (or prices from another
15 governmental agreement) were received, all as evidenced by Exhibit "A," and

16 WHEREAS the Board of Contracts and Awards and/or the requesting
17 division have heretofore made their recommendations, which may include
18 waiver of the formal competitive bid process because it was not practicable to
19 follow said process, or because the purchase is from a single source, or there is
20 an emergency that requires such waiver, and/or waiver of minor deviations, and
21 in the case of sale of surplus, a declaration of surplus has been made certifying
22 that said items are no longer essential for continued effective utility service, as
23 explained in Exhibit "A," and
24
25
26



1 WHEREAS the Director requests authorization, pursuant to
2 TMC 1.06.269 A, to amend contract amounts up to \$200,000 and to approve
3 term extensions and renewals for all items contained in Exhibit "A;" Now,
4 therefore,

5 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

6 That the Public Utility Board of the City of Tacoma hereby concurs and
7 approves the recommendations of the Board of Contracts and Awards and/or
8 the requesting division, and approves, as appropriate: (1) the purchase and/or
9 furnishing of those materials, supplies, equipment or services recommended for
10 acceptance; (2) the sale of surplus materials, supplies or equipment
11 recommended for acceptance; (3) the Interlocal agreement that authorizes
12 purchase off another governmental entity's contract; (4) the increase and/or
13 extension of an existing agreement, and said matters may include waiver of the
14 formal competitive bid process and/or waiver of minor deviations, all as set forth
15 on Exhibit "A," and authorizes the execution, delivery and implementation of
16 appropriate notices, contracts and documents by the proper officers of the City
17 for said transactions, and (5) the administrative authority of the Director, per
18 TMC 1.06.269 A., to amend contract amounts up to \$200,000 and to approve
19 term extensions and contract renewals for all items in Exhibit "A."
20
21
22

23 Approved as to form and legality:

24 
25 Chief Deputy City Attorney

Chair

Secretary

26 Clerk

Adopted



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.: U-10977

ITEM NO.: #1

MEETING DATE: DECEMBER 13, 2017

DATE: November 27, 2017

TO: Board of Contracts and Awards

SUBJECT: 15kV Three Phase Pad-Mounted Transformers
Budgeted from Tacoma Power's Capital Outlay Budget
Request for Bids Specification No. PT17-0342F

RECOMMENDATION: Tacoma Power recommends a contract be awarded to the second low bidder, **Electric Research & Manufacturing Cooperative, Dyersburg, Tennessee**, for the purchase of 15kV three phase pad-mounted transformers, on an as needed basis. The recommendation is for an initial three-year contract term in the amount of \$1,953,692.00, plus the option for two additional one-year renewal periods, for a cumulative total of \$3,315,350.00, plus sales tax. The specification documents contain market-based provisions for price escalation/de-escalation that will affect the overall contract value.

EXPLANATION: This contract is for the supply of 15kV three phase pad-mounted transformers to be installed within Tacoma Power's distribution system. The transformers are intended to fulfill the requirements for new and modified customer services, aging asset replacements, service territory maintenance and damage related events. The bid document requested pricing for sixty four transformer configurations to be purchased as needed based upon installation requirements. The initial three-year contract term includes a purchase potential of up to 200 units.

COMPETITIVE BIDDING: Request for Bids Specification No. PT17-0342F was opened on November 7, 2017. Fourteen companies were invited to participate in addition to normal advertising of the project. Six submittals were received. The apparent low bid offered pricing for eight of the sixty four line items included in the bid. Of the items bid, the pricing was found to be sixty five percent higher than the price offered by the second low bidder. The recommended bid included pricing for all bid line items and is the lowest responsive submittal following the evaluation. The table below reflects the amount of the initial contract term.

<u>Respondents</u>	<u>Manufacturer</u>	<u>Location</u> (city and state)	<u>Submittal</u> <u>Amount</u> Plus sales tax	<u>Evaluated</u> <u>Submittal</u> Includes available performance credits
Shihlin Electric USA Co.; Ltd.*	Shihlin Electric	Pasadena, CA	\$ 381,200.00	\$ 373,576.00
Electric Research & Manufacturing Cooperative	ERMCO	Dyersburg, TN	\$ 1,953,692.00	\$ 1,856,007.40
General Pacific, Inc.	Howard Industries	Fairview, OR	\$ 2,199,034.14	\$ 2,122,067.95
Anixter, Inc.	Cooper Power	Portland, OR	\$ 2,537,398.00	\$ 2,486,650.04
Central Moloney, Inc.	Central Moloney	Pine Bluff, AR	\$ 2,639,544.00	\$ 2,547,159.96
WESCO Distribution, Inc.	ABB	Portland, OR	\$ 2,860,336.00	\$ 2,803,129.28

* Bidder submitted pricing for a portion of the items requested.

Pre-bid estimate \$ 2,100,000.00

The recommended award is 7.0 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

FUNDING: Funds for this contract are available in the Tacoma Power capital outlay budget. Funding beyond the current biennium is subject to future availability of funds.

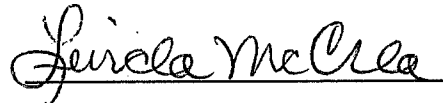
SBE/LEAP COMPLIANCE: Not applicable.

PROJECT ENGINEER/COORDINATOR: Roberta Cox, Management Analyst, Transmission & Distribution, 253-396-3156; Matthew Johnson, P. E., Transmission & Distribution, 253-502-8531.

APPROVED:



Chris Robinson
Power Superintendent/COO



Linda McCrea
Interim Director of Utilities

cc: Jessica Tonka, Senior Buyer, Finance/Purchasing
SBE Coordinator
LEAP Coordinator



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.:

U-10977

ITEM NO.:

#2

MEETING DATE:

December 13, 2017

DATE: December 1, 2017

TO: Board of Contracts and Awards

SUBJECT: Hydraulic balancing services, Alden Research Laboratory
Request for Qualifications CT12-0001F Citywide Architectural and Engineering
Roster (Non LAG)
SAP Contract No. 4600012173

RECOMMENDATION: Tacoma Power/Generation requests approval to increase SAP Contract No. 4600012173 to **Alden Research Laboratory (Alden), Redmond, WA**, by \$191,100, sales tax not applicable, for hydraulic balancing services. This contract will support Tacoma's Cowlitz hydroelectric project license implementation at the Cowlitz Falls North Shore Collector (Fish Collector). This increase will bring the contract to a cumulative total of \$390,900, sales tax not applicable.

EXPLANATION: The services provided under the original contract were to balance the Fish Collector at 500 cubic feet per second (cfs) attraction flow while meeting regulatory criteria intended to maximize fish health. These services are completed.

The Fish Collector was designed with the ability to operate at flows up to 1,000 cfs. This contract amendment expands the scope of work to hydraulically balance the Fish Collector at 750 cfs and 1,000 cfs operating conditions. Flow greater than 500 cfs may improve fish attraction which would result in a greater likelihood of achieving the FERC license goals of 95% fish passage survival. However, the higher flows will exceed the fish health design criteria. Therefore, this additional balancing effort will do the best to balance fish health with improved fish attraction.

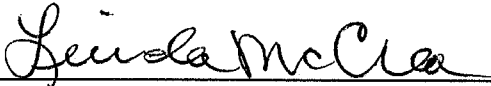
CONTRACT HISTORY: The City of Tacoma solicited architectural and engineering services under Request for Qualifications Specification No. CT12-0001F, dated December 5, 2011 which was used to develop the Citywide Architectural and Engineering (A&E) Roster. Three firms were evaluated to find the most qualified for this project. A contract was awarded to Alden December 7, 2016, Contract Number 4600012173 for an amount not to exceed \$199,800, valid through December 1, 2018. This request represents an extension of the contract through June 1, 2019. This increase will bring the contract to a cumulative total of \$390,000, sales tax not applicable, through June 1, 2019. This is the first amendment to the contract.

FUNDING: Funds for this contract are available in Tacoma Power's Operating Budget.

PROJECT ENGINEER/COORDINATOR: Matt Bleich, Natural Resources Department;
253-502-8794.



Chris Robinson
Power Superintendent/COO
APPROVED:



Linda McCrea
Interim Director of Utilities/CEO

Attachment

Cc: Chris Mattson, Generation Manager
Keith Underwood, Natural Resources Manager
Kimberly Ward, Senior Buyer, Finance/Purchasing
Contract Services, Generation



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.: U-10977

ITEM NO.: #3

MEETING DATE: DECEMBER 13, 2017

DATE: December 1, 2017
TO: Board of Contracts and Awards
SUBJECT: Cowlitz Project - Cowlitz Falls Fish Facilities Remodel (CFFFR)
Request for Bids Specification No. PG16-0222F

RECOMMENDATION: Tacoma Power/Generation recommends a contract be awarded to low bidder **Prospect Construction Inc., Puyallup, WA**, for the construction of the Cowlitz Falls Fish Facility Remodel (CFFFR) for a total contract amount of \$4,399,988.00, plus applicable sales tax.

EXPLANATION: In 2002, Tacoma Power obtained a new Federal Energy Regulatory Commission (FERC) license for the Cowlitz Hydroelectric Project. The new license requires Tacoma Power to collect salmon and steelhead smolts migrating from the upper Cowlitz River basin and safely transport them to the lower Cowlitz River, below the Cowlitz Salmon Hatchery Barrier Dam.

This project includes the remodel of the Cowlitz Falls Fish Facility (CFFF) in order to bring the facility into functional conformance with the new Cowlitz Falls North Shore Collector (CFNSC), which was recently commissioned.

COMPETITIVE BIDDING: Request for Bids Specification No. PG16-0222F was opened November 28, 2017. Sixteen companies were invited to bid in addition to normal advertising of the project. Five (5) submittals were received. The low bidder, Macro-Z-Technology Company, was deemed non-responsive, non-responsible, and chose to withdraw their bid due to error. The Small Business Enterprise (SBE) participation level proposed by the bidder(s) are reflected as a credit (maximum applies) against the submitted base bid to arrive at an "evaluated bid" for ranking purposes. Prospect Construction Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of SBE participation goals. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location</u> (city and state)	<u>Submittal Amount</u> Plus sales tax	<u>Evaluated Submittal</u>
*Macro-Z-Technology Company	Tacoma, WA	\$ 4,166,200.00	Non-responsive Non-Responsible Withdrawn
Prospect Construction Inc.	Puyallup, WA	\$ 4,399,988.00	\$ 4,179,988.60
Harbor Pacific Contractors Inc.	Woodinville, WA	\$ 4,475,500.00	\$ 4,251,725.00
Stellar J Corporation	Woodland, WA	\$ 4,619,500.00	\$ 4,388,525.00
McClure and Sons Inc.	Mill Creek, WA	\$ 4,633,479.00	\$ 4,401,805.05

* Bid withdrawn 11/30/2017

Pre-bid Estimate \$ 4,600,000

The recommended award is 4.35% below the pre-bid estimate.

CONTRACT HISTORY: New contract.

FUNDING: Funds for this are available in the Tacoma Power 2017-2018 budget.

SBE/LEAP COMPLIANCE: The recommended bidder is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated November 29, 2017. The SBE goal for the project is 5%. The SBE participation level of the recommended bidder is 6.95%. Prospect Construction Inc. submitted the lowest evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 2,400 hours or 15% of craft labor hours, whichever is less.

PROJECT ENGINEER/COORDINATOR: Chad Druffel, TPU Generation, 253-502-8073



Chris Robinson
Power Superintendent/COO

APPROVED:



Linda McCrea
Interim Director of Utilities

C: Chad Chalmers, Generation/Cowlitz Project
Chad Druffel, Generation/Plant Engineering & Construction Services
Terry Ryan, Generation/Plant Engineering & Construction Services
Keith Underwood, Generation/Natural Resources
Kimberly Ward, Finance/Purchasing
SBE Coordinator, TMB/Economic & Community Development
LEAP Coordinator, TMB/ Economic & Community Development



**Community and Economic Development Department
Small Business Enterprise (SBE) Office
Evaluated Bid Status Report**

To: Chad Druffel
Date: November 29, 2017
Subject: Cowlitz Falls Fish Facility Remodel
Specification No. PG16-0222F
Contractor: Prospect Construction, Inc.
116 23rd Street SE
Puyallup, WA 98372

Subcontractor(s) to be used on the project:

SBE
Participation: Moe Welding \$306,000
(6.95% SBE Utilization)



APPROVED

**SBE Evaluation
Contract:**

PG16-0222F

Cowlitz Fall Fish Facility Remodel

		SBE Goal:		5.00%		
	<u>Contractor Name</u>	<u>Base Bid</u>	<u>SBE Bid</u>	<u>SBE %</u>	<u>SBE Credit</u>	<u>Evaluated Bid</u>
Non-responsive	Macro-A-Technology Company	Non-responsive	\$ -		\$ -	\$ -
Low responsive	Prospect Construction, Inc.	4,399,988.00	\$ 306,000.00	6.95%	\$ 219,999.40	\$ 4,179,988.60
2nd low responsive	Harbor Pacific Contractors, Inc.	4,475,500.00	\$ 316,045.00	7.06%	\$ 223,775.00	\$ 4,251,725.00
3rd low responsive	Stellar J Corporation	4,619,500.00	\$ 231,000.00	5.00%	\$ 230,975.00	\$ 4,388,525.00
4th low responsive	McClure and Sons, Inc.	4,633,479.00	\$ 374,969.00	8.09%	\$ 231,673.95	\$ 4,401,805.05
		5% =				
lowest base bid		4,399,988.00	219,999.40			
			\$ 4,619,987.40			



DISAPPROVED

Bidder is not considered responsive for the following reason(s):



Bidder did not complete all necessary forms



See attached memorandum dated _____.

The Small Business Enterprise Office evaluated the bids for this project and accepted Prospect Construction, Inc. as the lowest responsive bid.

C. Lynn
Carrie Lynn, SBE Coordinator



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.:

U-10977

ITEM NO.:

#4

MEETING DATE:

DECEMBER 13, 2017

DATE: November 29, 2017
TO: Board of Contracts and Awards
SUBJECT: Direct Negotiation of Professional Services
Park Reservation System

RECOMMENDATION: Tacoma Power/Generation/Natural Resources recommends a contract be awarded to **Camis Inc., Ann Arbor, MI**, to provide reservation services for Tacoma Power's campgrounds for a three-year contract in the amount of \$360,000, sales tax not applicable.

EXPLANATION: Tacoma Power owns and operates four (4) campgrounds at the Cowlitz and Nisqually Hydroelectric Projects (Projects). Providing these recreational opportunities for camping and day use is required by Tacoma Power's Federal Energy Regulatory Commission licenses for the Projects.

Camis, Inc. has been the park reservation service provider for Tacoma Power since 2005 when Tacoma Power joined the contract as a third party to the existing Washington State Parks reservation service. The reservation system includes online and phone-based reservations, changes and cancellations, call center and help desk services, software, point-of-sale hardware, financial reporting, training and inventory management. These services are instrumental to the success of our Parks.

Tacoma Power was recently informed by the Washington State Parks that the agency does not intend to continue our partnership in the reservation service following the expiration of our current agreement on October 31, 2018. This has made it necessary for Tacoma Power to procure a reservation vendor independently from the State Parks reservation system.

Over the next year the Tacoma Power intends to analyze options and alternatives for park operations. Given that the result of this analysis could significantly change the approach to park reservations (such as contracting reservations as a part of operations) it is not desirable to establish a new long-term reservation vendor contract at this time.

As the existing vendor to Tacoma Power since 2005, Camis, Inc. provides an ideal short-term solution to continue park reservations with minimum software development and disruption to park customers. Three years is considered short-term in this circumstance because it could take up to two years to create and migrate a reservation system between contactors and because a reservation system will need to be tested and fully implemented at least nine months prior to the actual reservation dates booked. Any reduction to the lead time for a camp reservation will result in reduced camp use and revenue.

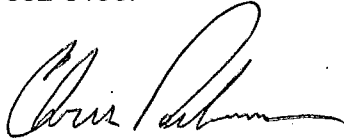
COMPETITIVE ANALYSIS: Camis currently has the data associated with all of Tacoma Power's Park camp sites. While the park operations analysis is being conducted, continuing with Camis will avoid the added setup and training costs, inefficiencies, and disruption in customer service associated with changing vendors that could require yet another change depending on the outcome of the analysis. Furthermore, Camis hosts the Washington State Parks reservation system and has committed to providing a link from State Parks reservations to Tacoma Power Parks which will provide a better customer experience during the transition and result in maximum reservations.

CONTRACT HISTORY: New contract.

FUNDING: Funds are available in Tacoma Power's operating budget.

SBE/LEAP COMPLIANCE: Not applicable.

PROJECT ENGINEER/COORDINATOR: Keith Underwood, Natural Resources/Generation,
253-502-8196.



Chris Robinson
Power Superintendent/COO

APPROVED:



William A. Gairnes
Director of Utilities/CEO

KU:rlm Camas Inc – Park Reservation System PUB 112917

Cc: Keith Underwood, Natural Resources Manager, Generation/Natural Resources
Kimberly Ward, Sr. Buyer, Finance/Purchasing



City of Tacoma

Date: November 28, 2017

To: William A. Gaines, Director of Utilities/CEO

From: Chris Robinson, Tacoma Power Superintendent/COO

Subject: Authorization of Direct Negotiation for Professional Services and Personal Services over \$25,000 Excluding Architectural and Engineering Services
Reservation Services for Tacoma Power's Campgrounds

For your review and recommendation.

In accordance with TMC 1.06.256 (B), Tacoma Power's Generation Section requests a waiver of the competitive solicitation process and authorization to directly negotiate with **Camis, Inc.**, for reservation services for Tacoma Power's campgrounds for three (3) years in the amount of \$360,000, sales tax not applicable.

Direct negotiation approval constitutes a waiver of further competitive solicitation for amendments to the subject contract provided that any such amendment(s) shall be signed by personnel as authorized in the Delegation of Procurement Signature and Approval Authority memorandum. Contract totals shall not exceed \$200,000 without City Council or Public Utility Board approval as appropriate.

EXPLANATION:

Tacoma Power owns and operates four (4) campgrounds at the Cowlitz and Nisqually Hydroelectric Projects (Projects). Providing these recreational opportunities for camping and day use is required by Tacoma Power's Federal Energy Regulatory Commission licenses for the Projects.

Camis, Inc. has been the park reservation service provider for Tacoma Power since 2005 when Tacoma Power joined the contract as a third party to the existing Washington State Parks reservation service. The reservation system includes online and phone-based reservations, changes and cancellations, call center and help desk services, software, point-of-sale hardware, financial reporting, training and inventory management. These services are instrumental to the success of our Parks.

Tacoma Power was recently informed by the Washington State Parks that the agency does not intend to continue our partnership in the reservation service following the expiration of our current agreement on October 31, 2018. This has made it necessary for Tacoma Power to procure a reservation vendor independently from the State Parks reservation system.

Over the next year the Tacoma Power intends to analyze options and alternatives for park operations. Given that the result of this analysis could significantly change the approach to park reservations (such as contracting reservations as a part of operations) it is not desirable to establish a new long-term reservation vendor contract at this time.

As the existing vendor to Tacoma Power since 2005, Camis, Inc. provides an ideal short-term solution to continue park reservations with minimum software development



City of Tacoma

and disruption to park customers. Three years is considered short-term in this circumstance because it could take up to two years to create and migrate a reservation system between contactors and because a reservation system will need to be tested and fully implemented at least nine months prior to the actual reservation dates booked. Any reduction to the lead time for a camp reservation will result in reduced camp use and revenue.

JUSTIFICATION FOR DIRECT NEGOTIATION:

1. Explain why it's in the best interest of the city to waive the competitive solicitation process.

Camis currently has the data associated with all of Tacoma Power's Park camp sites. While the park operations analysis is being conducted, continuing with Camis will avoid the added setup and training costs, inefficiencies, and disruption in customer service associated with changing vendors that could require yet another change depending on the outcome of the analysis. Furthermore, Camis hosts the Washington State Parks reservation system and has committed to providing a link from State Parks reservations to Tacoma Power Parks which will provide a better customer experience during the transition and result in maximum reservations.

2. Is this purchase based on a previous competitive solicitation conducted by the City or other agency? If yes, provide the contract information, specification number, etc., and explain the relationship of this request to the previous contract.

Yes. Washington State Contract No. 27183 is a competitively bid contract valid through October 31, 2018. Tacoma Power was involved in the original selection process for the current contract, which was extended by five (5) years.

3. Describe the screening efforts made to identify potential service providers.

All other service providers would require significant additional set up and testing costs to establish a reservation system for Tacoma Power's Parks.

4. Describe the efforts made to assure that the City is receiving the lowest or best price possible.

Camis is offering a fee structure that is nearly identical to the fees as a part of the current state-bid contract (see Appendix A - Scope of Work and Cost Estimate). One transaction fee (call center reservations) was reduced by \$0.25 per transaction. Camis is the only entity able to provide Tacoma Power reservation services without additional fees due to startup and development costs that would be necessary for any new reservation service provider.

FUNDING: Funds are available in Tacoma Power's operating budget.

SBE COMPLIANCE: The Department/Division did not check the City of Tacoma Small Business Enterprise (SBE) website for opportunities to contract with SBE firms.

PROJECT COORDINATOR: Keith Underwood, Natural Resources Manager, 502-8196.



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.:

U-10977

ITEM NO.:

#5

MEETING DATE:

December 13, 2017

DATE: November 30, 2017

TO: Board of Contracts and Awards

SUBJECT: Potlatch Transmission Line – Henderson Bay Site Work and Foundations
Request for Bids Specification No. PG17-0306F

RECOMMENDATION: Tacoma Power recommend a contract be awarded to low bidder **Rognlin's Inc.**, located in **Aberdeen, Washington**, for the Potlatch Transmission Line – Henderson Bay Site Work and Foundations, for a total award amount of \$474,516.86, plus applicable sales tax.

EXPLANATION: Tacoma power is replacing its aging Potlatch transmission lines across Henderson Bay with new foundations, structures and conductors. This civil contract will install erosion control, staging areas, working pads and foundations for steel pole structures on the east and west sides of Henderson Bay in order that new 115kV transmission line can be place across Henderson Bay.

COMPETITIVE SOLICITATION: Requests for Bids Specification No. PG17-0360F was opened on November 28, 2017, with six (6) bids being received. Fourteen (14) bidders were specifically invited to bid in addition to normal advertising for this project. The Small Business Enterprise (SBE) participation level proposed by the bidder(s) are reflected as a credit (maximum applies) against the submitted base bid to arrive at an "evaluated bid" for ranking purposes. Rognlin's Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of SBE participation goals. The table below reflects the total bid submittal amount.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u> Plus sales tax	<u>Evaluated Submittal</u>
Rognlin's, Inc.	Aberdeen, WA	\$ 474,516.00	\$ 469,919.35
Massana Construction	Gig Harbor, WA	\$ 513,220.00	\$ 487,559.00
Orion Marine Contractors Inc.	Tacoma, WA	\$ 569,600.00	\$ 543,939.00
Olson Brothers Excavating Inc.	Puyallup, WA	\$ 595,000.00	\$ 571,711.03
Condon-Johnson & Associates Inc.	Kent, WA	\$ 618,850.00	\$ 618,850.00
Ceccanti Inc.	Tacoma, WA	\$ 668,100.00	\$ 642,439.00
	Pre-bid Estimate	\$ 825,000.00	

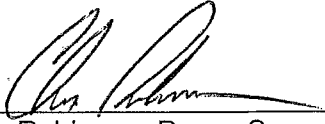
The recommended award is 42 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

FUNDING: Funds are available in the Tacoma Power budget.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) requirements per memorandum dated November 29, 2017. The SBE goal for this project is 10 percent. The SBE participation level of the recommended contractor is 1.8 percent. Rognlin's Inc. submitted the lowest evaluated bid per the SBE requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal does not apply to this project.

PROJECT ENGINEER/COORDINATOR: Steve Fairchild, Generation/Plant Engineering, 253-502-8747.



Chris Robinson, Power Superintendent/COO

APPROVED:



William A. Gaines, Director of Utilities/CEO

Cc: Joe Parris, Sr. Buyer, Finance/Purchasing
Kimberly Ward, Sr. Buyer, Finance/Purchasing
SBE/LEAP Coordinators
Generation/Contract Services



**Community and Economic Development Department
Small Business Enterprise (SBE) Office
Evaluated Bid Status Report**

To: Stephen Fairchild
Date: November 29, 2017
Subject: Henderson Bay Crossing
Specification No. PG17-0306F

Contractor: Roglin's, Inc.
321 State Street
Aberdeen, WA 98520

Subcontractor to be used on the project: NONE

SBE			
Participation:	Looker Asphalt	1.8%	\$8,580.00

☒ **APPROVED**

The original **SBE GOAL of 10%** has been reduced to **1.8%** on this project due to the fact that the lowest evaluated bid was not within the 5% of the 2nd lowest bidder with full SBE utilization.

SBE Evaluation
Contract: PG17-0360F

Henderson Bay Crossing

	<u>Contractor Name</u>	<u>Base Bid</u>	<u>SBE Bid</u>	<u>SBE Goal:</u> <u>SBE %</u>	<u>SBE Credit</u>	<u>Evaluated Bid</u>
low bid	Roglin's, Inc.	474,516.00 \$	8,500.00	1.79%	\$ 4,596.65	\$ 469,919.35
2nd low	Massana Construction	513,220.00 \$	79,350.00	15.46%	\$ 25,661.00	\$ 487,559.00
3rd low	Orion Marine Contractors, Inc.	569,600.00 \$	57,080.00	10.02%	\$ 25,661.00	\$ 543,939.00
4th low	Olson Brothers Excavating, Inc.	595,000.00 \$	54,000.00	9.08%	\$ 23,288.97	\$ 571,711.03
5th low	Condon - Johnson & Associates	618,850.00 \$	-		\$ -	\$ 618,850.00
6th low	Ceccanti, Inc.	668,100.00 \$	87,952.00	13.16%	\$ 25,661.00	\$ 642,439.00

5% =
Lowest base bid 474,516.00 23,725.80
\$ 498,241.80

☐ **DISAPPROVED**

Bidder is not considered responsive for the following reason(s):

- ☐ Bidder did not complete all necessary forms
- ☐ See attached memorandum dated _____.

The Small Business Enterprise Office evaluated the bids for this project and accepted Roglins, Inc.'s bid.

C. Lynn
Carrie Lynn, SBE Coordinator



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.:

U-10977

ITEM NO.:

#6

MEETING DATE:

December 13, 2017

DATE: November 30, 2017
TO: Board of Contract and Awards
SUBJECT: Contract Increase – Structural Steel 2015
Request for Bid PG15-0342F, Contract 4600010924

RECOMMENDATION: Tacoma Power / Generation requests approval to increase Contract No. 4600010924 to **Columbia Energy & Environmental Services** by \$100,000 to provide adequate funds for continued structural steel fabrication and delivery through July 24, 2019. The new contract total would be \$300,000, plus applicable sales tax, if approved.

EXPLANATION: Tacoma Power / Generation maintains an on-call structural steel contract to provide fabricated steel members such as steel gates, support structures, and other miscellaneous fabricated items. This contract provides the option to have small or low cost projects, which would not otherwise be feasible to competitively bid, fabricated in a timely and cost-effective manner.

The current contract had an initial term of two (2) years (commencing in July, 2015) with the option to extend an additional two 1-year terms. The contract has already been extended one term through July 2018. Approval of this resolution will provide the necessary funds to supplement this contract and allow the contract to be extended until July 2019.

Due to the number of unknowns associated with the small fabrication projects, a fixed bid contract in some cases is extremely difficult to define, thereby increasing risks for the bidders, which results in higher costs to Tacoma Power. The subject contract will be used to avoid the high cost of risk associated with these projects and to provide a method to complete them in a timely manner.

COMPETITIVE BIDDING: This contract was originally awarded to Columbia Energy & Environmental Services as a result of Request of Bids PG15-0342F, dated July 2015.

CONTRACT HISTORY: The original contract was awarded in the amount of \$170,400, plus applicable sales tax, on July 24, 2015, for a two-year initial contract period. The contract was extended for the first one (1) year extension and increased by \$29,600 on July 24, 2017. The \$29,600 increase brought the contract to a cumulative total of \$200,000, plus applicable sales tax.

FUNDING: Funds for this contract are available in the 2017/2018 Capital and Maintenance Budgets of Tacoma Power.

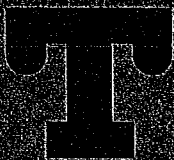
PROJECT ENGINEER/COORDINATOR: Jayson Lelli, Generation, 253-396-3066

Chris Robinson
Power Superintendent/CCO

APPROVED:

William A. Gaines
Director of Utilities/CEO

cc: Kimberly Ward, Finance/Purchasing
Terry Ryan, Generation/Plant Engineering & Construction Services
Generation/Contract Services



TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

EXHIBIT "A"

RESOLUTION NO.: U-10977

ITEM NO.: #7

MEETING DATE: DECEMBER 13, 2017

DATE: November 28, 2017

TO: Board of Contracts and Awards

SUBJECT: Waiver of Competitive Solicitation Request – Sole Source Increase
Renewal of Software and Hardware Maintenance for Customer Services
Cashiering System
Budgeted from Customer Services
Contract No. 4600005120

RECOMMENDATION: Customer Services requests a waiver of competitive procurement procedures to increase SAP Contract 4600005120 **System Innovators, dba N. Harris Computer Corporation, Jacksonville, FL**, by \$150,000, plus applicable tax, for continued annual proprietary software and hardware maintenance for the cashiering system (iNovah). This increase will bring the contract to a cumulative total of \$576,935.99, plus applicable tax.

EXPLANATION: System Innovators provides annual software and hardware maintenance for the cashiering system (iNovah) that supports paybox, lobby and telephone payment options for our customers.

COMPETITIVE SOLICITATION: Waiver of competitive bidding requested due to sole source. System Innovators is the manufacturer and sole service provider for proprietary iNovah products, as well as for CASHIER for Windows and RevenueCollector.

CONTRACT HISTORY: This contract was originally awarded to **System Innovators** to upgrade the proprietary iNovah cashiering system in December 2008 and authorized as a sole source by Public Utility Board Resolution U-10244. Amendment 1, approved by resolution U-10545, increased the value by \$95,844.25 to cover three additional years of proprietary software and hardware maintenance through December 3, 2014. Amendment 2 increased the value by \$108,372 to cover three additional years of proprietary software and hardware maintenance through December 3, 2017. The contract was administratively increased by \$21,384.75 in March 2017 to correct an error to the compensation amount in Amendment 2. This request will bring the cumulative total to \$576,935.99, plus applicable tax, to cover three additional years of proprietary software and hardware maintenance through December 3, 2020. This is the third amendment to the contract.

FUNDING: Funds for this are available in Customer Service budget. Funding beyond the current biennium is subject to future availability of funds.

SBE/LEAP COMPLIANCE: Not applicable.



PROJECT ENGINEER/COORDINATOR: Mike Hill, assistant customer services manager, 253-502-8026.

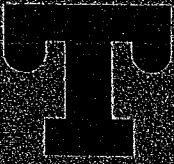


Steve Hatcher
Customer Services Manager



William A. Gaines
Director of Utilities/CEO

cc: Richelle Krienke, Senior Buyer, Finance/Purchasing
 SBE Coordinator
 LEAP Coordinator
 Mike Hill, Customer Services
 Janine Mann, Customer Services



TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

Date: November 28, 2017

To: Patsy Best, Procurement and Payables Division Manager

From: Steve Hatcher, Customer Services Manager

Subject: Waiver of Competitive Solicitation Request – Sole Source Purchase
Renewal of Software and Hardware Maintenance for Cashiering System - 4600005120

Please forward for Board of Contracts and Awards review and recommendation.

In accordance with Tacoma Municipal Code 1.06.257.A. (Sole Source), Customer Services requests a waiver of the competitive solicitation process for continued annual software and hardware maintenance for the cashiering system (iNovah) that supports paybox, lobby and telephone payment options for our customers. The sole source vendor is **System Innovators, dba N. Harris Computer Corporation, Jacksonville, FL**. This is an on-going contract with a three-year total of \$150,000, plus applicable sales tax. This will bring the cumulative total to \$576,935.99.

“Follow-on” Contracts:

Is this sole source purchase based on a contract that was previously competitively bid by the City?
Yes ☒ No ☐

If “yes”, provide brief history of the initial contract award, bid specification or RFP number, date, etc. Briefly explain relationship of this sole source purchase to previously competitively solicited contract.

History of contract 4600005120:

- A three-year contract to upgrade the proprietary iNovah cashiering system was executed in December 2008 and authorized as a sole source by Public Utility Board Resolution U-10244.
- Amendment 1, approved as a sole source by resolution U-10545, increased the value by \$95,844.25 to cover three additional years of proprietary software and hardware maintenance through December 3, 2014.
- Amendment 2 increased the value by \$108,372 to cover three additional years of proprietary software and hardware maintenance through December 3, 2017.
- Amendment 3 will increase the value by \$150,000 to cover three additional years of proprietary software and hardware maintenance through December 3, 2020, and adds \$21,384.75 to correct an error to the compensation amount in Amendment 2.
- The contract was administratively increased by \$21,384.75 on March 3, 2017, to correct an error in Amendment 2 per the fully executed Amendment 3.



Waiver Criteria:

1. Is there more than one feasible supplier of the product or service in the marketplace?

Yes ☐ No ☒

Briefly explain.

System Innovators is the manufacturer and sole service provider for proprietary iNovah products, as well as for CASHIER for Windows and RevenueCollector.

2. Please support your contention it would be futile to advertise and competitively bid for the product or service as it would result in only one bid:

- a. Describe the screening efforts you engaged in to identify potential suppliers.
Include names of potential suppliers, contact person, phone numbers, or addresses.

System Innovators is the manufacturer and sole service provider for proprietary iNovah products, as well as for CASHIER for Windows and RevenueCollector.

- b. Describe any technical or unique product/service attributes that prevent drafting specifications for a competitive bid to which more than one supplier could successfully respond.

The iNovah system is proprietary software owned and licensed by System Innovators. No other vendor has access to or is authorized to maintain or service the application.

- c. Is the product available only through one vendor? Yes ☒ No ☐

If "yes", such certification should be in writing from the manufacturer (not the vendor) and supported by results of the screening process or validated by the Purchasing Division.

Written certification attached? Yes ☐ No ☒

Describe the certification that was obtained and relationship to the items sought (manufacturer, etc.). Written certification should be attached.

- d. What efforts were made to assure the City is receiving the lowest or best price possible?

System Innovators is the proprietary manufacturer and service provider for proprietary iNovah products, as well as for CASHIER for Windows and RevenueCollector.

Written certification from manufacturer or vendor attached (optional)? Yes ☐ No ☒

- e. Is this a one-time purchase? Yes ☐ No ☒ Total amount: _____
If "no," estimated total dollar amount over three-year period: \$150,000

Other supporting documentation attached? Yes ☐ No ☒

City Contact person: John Hoffman Phone: 253-502-8038

Steve Hatcher, Customer Services Manager
Department/Division Head (Please Print)

Steve Hatcher 11/29/2017
Department/Division Head Signature Date

William A. Gaines
William A. Gaines, Director of Utilities/CEO

Purchasing Use Only

Approved _____ Rejected _____

None (after the fact) _____

Date _____ By _____

cc: Richelle Krienke, Senior Buyer, Finance/Purchasing

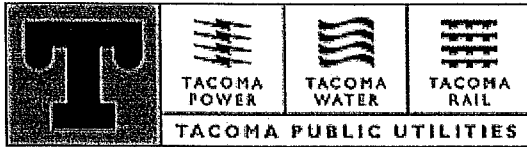


EXHIBIT "A"

RESOLUTION NO.: U-10977

ITEM NO.: #8

MEETING DATE: DECEMBER 13, 2017

TO: Board of Contracts and Awards
FROM: Michael Hill, Assistant Customer Services Manager
Steve Hatcher, Customer Services Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: Remote Pay Station Kiosks
RFP Specification No. CS17-0145F, Contract No. CW2221649 – December 13,
2017
DATE: November 27, 2017

RECOMMENDATION SUMMARY:

Customer Services recommends a contract be awarded to Citybase, Inc., a Delaware corporation having its principal offices in Chicago, IL, for replacement of remote pay station kiosks for payment of utility accounts in the amount of \$339,902, including implementation and \$62,656 annually for three years of software and hardware maintenance and support, for a total amount of \$527,870 plus any applicable taxes.

The first year support and maintenance will be invoiced following successful implementation. Software and hardware support and maintenance for years two and three will be invoiced annually beginning in 2019.

The need for future software maintenance and support beyond 2020 is possible given a projected system lifecycle of five to 10 years. In accordance with Tacoma Municipal Code 1.06.269, authorization for software support and maintenance services may continue until the City no longer needs the software.

BACKGROUND:

Aging pay station kiosks are failing and hardware is no longer available to repair or replace the kiosks from the existing vendor. Replacement is required to continue to offer this payment option to utility customers. Customers paying with cash will be required to pay in person in the Customer Services' office at the Tacoma Public Utilities building.

ISSUE: Aging pay station kiosks are failing and hardware is no longer available to repair or replace the kiosks from the existing vendor. Replacement is required to continue to offer this payment option to utility customers. Customers paying with cash will be required to pay in person in the Customer Services' office at the Tacoma Public Utilities building.

ALTERNATIVES: The existing pay station kiosks are out of service on an average 2½ hours daily. Not replacing the aging payment kiosks will require failing kiosks to be removed from service when they are no longer operational, causing customers to travel to the TPU Administration building to make cash payments. This will both be inconvenient for customers and increase operating costs significantly for Customer Services. The estimated avoidance cost of processing thousands of payments manually in Customer Services is estimated to be nearly \$1 million dollars annually.

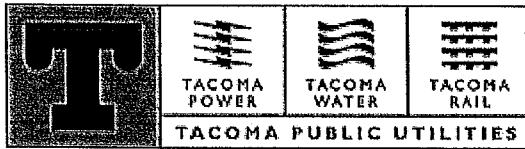


EXHIBIT "A"

RESOLUTION NO.: _____

ITEM NO.: _____

MEETING DATE: DECEMBER 13, 2017

COMPETITIVE SOLICITATION:

RFP Specification No. CS17-0145F was opened June 6, 2017. Twenty-three companies were invited to bid in addition to normal advertising of the project. Three submittals were received. A selection advisory committee (SAC) comprised of seven members from Customer Services, Tacoma Power, Tacoma Water, Community Media Services, and Environmental Services ranked proposals using the following categories and weights: Qualifications/Experience of Firm and Key Personnel - 20%; System Information/Proposed Project Approach - 40%; Training Plan for City Staff - 10%; Fees and Charges/Value - 20%; Small Business Enterprise (SBE)/Minority and Women's Business Enterprise (MWBE) - 5%; and Submittal Quality, Organization, and Completeness - 5%. The proposal submitted by Citybase, Inc. was ranked the highest by the SAC and provided the best combination of technology and price.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score</u>
Citybase, Inc.	Chicago, IL	66.2
TIO Networks USA, Inc.	Vancouver, BC Canada	54.9
Kiosk Information Systems	Louisville, CO	53.8

Pre-bid Estimate: \$300,000 to \$340,000

The capital project hardware and software, including implementation services, is within the range of the pre-bid estimate. Three years of post-go live support and maintenance of the software and hardware are operating and maintenance costs and were not included in the pre-bid estimate.

CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: Not applicable.

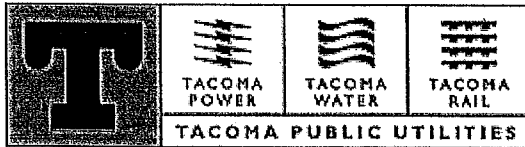


EXHIBIT "A"

RESOLUTION NO.: _____

ITEM NO.: _____

MEETING DATE: DECEMBER 13, 2017

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Paybox Replacement Project – Capital Budget	80021403		\$337,102
O&M (system familiarization & annual support and maintenance for 2018)		578800	\$65,456
O&M (annual support and maintenance 2019/2020)		578800	\$125,312
TOTAL			\$527,870

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$402,558 for 2017/2018 budget.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES, funds are available in the Customer Services 2017/2018 Capital Budget and Operating and Maintenance Budget.

Steve Hatcher, Customer Services Manager

APPROVED:

William A. Gaines, Director of Utilities/CEO

Cc: Richelle Krienke, Finance/Purchasing
SBE/LEAP Coordinators
Michael Hill, Assistant Customer Services Manager



RESOLUTION NO. U-10978

A RESOLUTION related to a Collective Bargaining Agreement between the City of Tacoma and the District Lodge #160 on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit.

WHEREAS the City and District Lodge #160 on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit ("IAM&AW"), have negotiated a proposed Collective Bargaining Agreement ("Agreement"), and

WHEREAS the Agreement covers approximately 5 budgeted, full-time equivalent positions, within Tacoma Public Utilities, Rail Division, and

WHEREAS the Agreement is for a three-year term retroactive to September 18, 2017, through December 31, 2019, and

WHEREAS wages will be increased retroactive to September 18, 2017, to \$34.72 per hour; a wage increase effective January 1, 2018, to \$35.57; and an increase effective January 1, 2019, to \$36.47, and

WHEREAS in addition, the Agreement provides for a one-time lump sum payment of \$1,000 to each employee in the Yard Clerk classification; and

WHEREAS in accordance with the Western Metal Industry Pension Fund Rehabilitation Plan – Preferred Schedule, effective July 1, 2018, and July 1, 2019, employees will forgo an additional amount toward a supplemental rate increase, and

WHEREAS other changes to the Agreement include the addition of a City match of 457(b) deferred compensation contributions of Yard Clerks up to



1
2 three percent; and a change from a reimbursement to an allowance for work
3 boots, with an increase to the annual amount from \$175 to \$300 per employee,
4 and also provides the employer to force the junior Yard Clerk to work in the
5 event they are unable to fill a vacancy, and

6 WHEREAS it now appears in the best interest of the City that the
7 proposed Agreement negotiated by IAM&AW and the City be approved; Now,
8 therefore,

9
10 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

11 That said proposed Collective Bargaining Agreement between the City of
12 Tacoma and the IAM&AW District Lodge #160 Yard Clerk Unit is approved, and
13 the Council of the City of Tacoma is requested to concur in the approval and
14 pass an implementing pay and compensation ordinance, and authorize the
15 proper officers of the City to execute and implement the said Agreement
16 substantially in the form as on file with the Clerk of the Board, to be approved
17 by the City Attorney.
18

19 Approved as to form and legality:

Chair _____

20
21 
Chief Deputy City Attorney _____

Secretary _____

22
23 Clerk _____

Adopted _____

of December 13, 2017

REQUEST FOR RESOLUTION

Date December 1, 2017

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Authorizing approval of a collective bargaining agreement negotiated between the City of Tacoma and the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

This resolution recommends approval of the 2017-2019 Collective Bargaining Agreement between the City of Tacoma and the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit, on behalf of the employees represented by said Union.

The agreement covers approximately 5 budgeted, full-time equivalent positions, within Tacoma Public Utilities, Rail Division. The agreement is anticipated to be scheduled for consideration by the City Council as a Resolution on January 2, 2018.

3. Summarized reason for resolution:

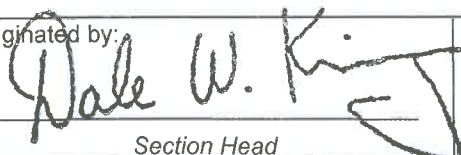
The resolution will recommend the execution and implementation of the 2017-2019 Collective Bargaining Agreement negotiated with the between the City of Tacoma and the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit, on behalf of those employees represented by said union.

4. Attachments:

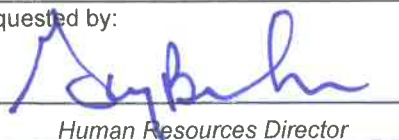
- a. Collective Bargaining Agreement
- b. Financial Impact Memorandum
- c. Letter from Linda McCrea, Director of Utilities/CEO

5. ☐ Funds available ☐ Proposed action has no budgetary impact6. Deviations requiring special waivers: ☐ None

Originated by:

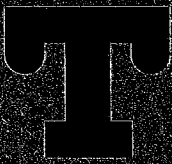

Section Head

Requested by:


Human Resources Director

Approved:


Director of Utilities



TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

December 1, 2017

To the Chairman and Members of the Public Utility Board
And
To the Mayor and Members of the City Council

The Management Negotiating Team recommends adoption of the proposed 2017-2019 collective bargaining agreement negotiated between the City of Tacoma and the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit. The agreement covers approximately 5 FTE budgeted full time equivalent (FTE) positions, within Tacoma Public Utilities, Rail Division. The agreement is anticipated to be considered by the City Council as a resolution on January 2, 2018.

The agreement covers three years, and provides for increases in each year of the agreement. A wage increase effective September 18, 2017, to \$34.72 per hour; a wage increase effective January 1, 2018, to \$35.57; and an increase effective January 1, 2019, to \$36.47. In addition, the agreement provides for a one-time lump sum payment of \$1,000 to each employee in the Yard Clerk classification; and in accordance with the Western Metal Industry Pension Fund Rehabilitation Plan – Preferred Schedule, effective July 1 of 2018 and 2019, employees will forgo an additional amount toward a supplemental rate increase.

Other changes to the agreement include the addition of a City match of 457(b) deferred compensation contributions of Yard Clerks up to 3 percent; and a change from a reimbursement to an allowance for work boots, with an increase to the annual amount from \$175 to \$300 per employee. The agreement also provides the employer the ability to force the junior Yard Clerk to work in the event they are unable to fill a vacancy.

It is recommended that the Public Utility Board and the City Council take the necessary approving action.

Very truly yours,

Linda A. McCrea

Director of Utilities/CEO





TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

To: Katie Johnston, Budget Manager
From: Jim Sant, Deputy Director for Administration, Management Services
Date: November 14, 2017
Subject: Fiscal Impact of Local 160 Yard Clerk Unit

Background and Financial Impact:

A Tentative Agreement between the City of Tacoma and the 160 Yard Clerk Unit has been reached for a successor collective bargaining agreement for the years 2017 – 2019.

The agreement is for a three year term, 2017-2019 and provides for the following wage adjustments and other economic impacts:

- Effective September 18, 2017, the Railway Yard Clerk wage shall be \$34.72 per hour.
- Effective January 1, 2018, the Railway Yard Clerk wage shall be \$35.57 per hour.
- Effective January 1, 2019, the Railway Yard Clerk wage shall be \$36.47 per hour.
- One time lump sum payment of \$1,000.00 will be paid to each employee in the Yard Clerk classification (71010).
- Increase in boot allowance from \$175 to \$300 per employee

2017 FTE	2017 Negotiated Incremental Expense	2018 Negotiated Incremental Expense	2019 Negotiated Incremental Expense
5	\$17,046	\$11,316	\$11,944

Concur:

William A. Gaines, Director of Utilities, CEO



2017 - 2019

AGREEMENT

BY AND BETWEEN

THE

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
dba TACOMA RAIL DIVISION

AND

DISTRICT LODGE #160

on behalf of LOCAL LODGE #297 of the
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS

YARD CLERK UNIT

*Per the Railway Labor Act, no Section 6 Notice can be served prior to July 1, 2019 to become effective January 1, 2020.

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CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
dba TACOMA RAIL DIVISION
and
DISTRICT LODGE #160 on behalf of LOCAL LODGE #297 of the IAM and AW
YARD CLERK UNIT

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2017 - 2019
AGREEMENT
By and Between
the
CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
dba TACOMA RAIL DIVISION
And
DISTRICT LODGE #160 on behalf of LOCAL LODGE #297
of the International Association of Machinists and Aerospace Workers
YARD CLERK UNIT

THIS AGREEMENT is between the CITY OF TACOMA (hereinafter called the Carrier and DISTRICT LODGE #160 OF THE IAM AND AW on behalf of LOCAL LODGE #297 (hereinafter called the Union) for the purpose of setting forth the mutual understanding of the parties as to wages, hours, and other conditions of employment of those employees for whom the City has recognized the Union as the exclusive collective bargaining representative.

PREAMBLE

The Carrier and the Union agree that the efficient and uninterrupted performance of municipal functions is a primary purpose of this Agreement, as well as the establishment of fair and reasonable compensation and working conditions for employees and the Carrier. This Agreement has been reached through the process of collective bargaining under the Railway Labor Act with the objective of serving the aforementioned purposes and with the further objective of fostering effective cooperation between the Carrier and its employees. Therefore, this Agreement and the procedures which it establishes for the resolution of differences is intended to contribute to the continuation of good employee relations and to be in all respects in the public interest.

ARTICLE 1 – SUBORDINATION OF AGREEMENT

It is understood that the parties hereto and the employees of the City are governed by the provisions of applicable federal law, state law, the City charter, and City ordinances. When any provisions thereof are in conflict with or are different than the provisions of this Agreement, the provisions of said federal law, state law, City charter, or City ordinances are paramount and shall prevail.

It is also understood that provisions of Federal Railway Labor Law also govern the relationship of the parties in some instances and where such is the case, the parties recognize that said Federal laws shall prevail and govern.

ARTICLE 2 – RECOGNITION AND BARGAINING UNIT

The City hereby recognizes the Union as the exclusive collective bargaining representative at Tacoma Rail for the purposes stated in the Railway Labor Act, as amended, for all the clerical positions including, but not limited to, listed as follows:

Appendix A
7101 Railway Yard Clerk

ARTICLE 3 – JOINT LABOR COMMITTEE

Section 3.1 It is the intent of the Union to carry out its collective bargaining responsibility as a member of the Joint Labor Committee, an organization consisting of various unions which have been recognized as collective bargaining representatives by the City. To this end, the City agrees to confer with officials of the Union on matter subject to collective bargaining. The Union agrees that all representations made on its behalf by the Joint Labor Committee or its agents shall have the same force and effect as if made by the Union itself and that notices or other communications exchanged between the City and the Joint Labor Committee shall have the same effect as notices directly between the parties to this Agreement.

Section 3.2 The parties agree that for the sake of equity among employees as well as administrative efficiency, it is desirable to standardize conditions of employment pertaining to employees represented by unions affiliated with the Joint Labor Committee. Therefore, the parties hereto agree to encourage standardization of benefits and other conditions of employment wherever appropriate, and to utilize the good offices of the Joint Labor Committee to effect this end.

ARTICLE 4 – UNION MEMBERSHIP AND DUES

Section 4.1 It shall be a condition of employment that all employees of the employer, covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing, and those who are not members on the execution date of this Agreement, shall on or before the thirtieth (30th) day following the execution date of this agreement, become and remain members in good standing in the Union, or in lieu thereof pay each month a service charge equivalent to regular Union dues to the Union as a contribution towards the administration of this Agreement. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its execution date shall, on the thirtieth (30th) day following the beginning of such employment become and remain members in good standing in the Union, or in lieu thereof pay each month a service charge equivalent to regular union dues to the Union as a contribution towards the administration of this Agreement.

Section 4.2 The Union agrees that membership in the Union will not be denied or terminated for any reason other than the failure of an employee covered by this Agreement to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.

Section 4.3 The City agrees to deduct from the paycheck of each employee who has so authorized it, the regular initiation fees and regular monthly dues uniformly required of members of the Union or in lieu thereof the monthly service charge. The amounts deducted shall be transmitted monthly to the Union on behalf of the employees involved. Authorization by the employee shall be on a form approved by the parties hereto and may be revoked by the employee upon request and the Union so notified. The performance of this function is recognized as a service to the Union by the Carrier. There shall be no retroactive dues. The Union shall notify the Carrier thirty (30) days in advance of any change in dues deduction.

Section 4.4 The Union agrees to indemnify and hold harmless the Carrier for any loss or damage arising from the application of this Article.

Section 4.5 The Union agrees that the Carrier shall not terminate the employment of any employee under the security clause provisions of this Agreement, until written notification is received from the Union that an employee has failed to pay the required dues or service charge or provide proof of an alternative payment based on religious tenets as provided herein above. The Union shall provide the employee and the Carrier with thirty (30) days' notification of the Union's intent to initiate discharge action and during this period the employee may make restitution in the amount which is overdue. If restitution has not been made in that thirty (30) day period, the employee shall be discharged immediately.

Section 4.6 The Carrier shall notify the Union by means of a slip furnished by the Union when a new employee is added to the bargaining unit.

Section 4.7 The Carrier recognizes and will not interfere with the right of their employees to become members of the Union and agrees there shall be no discrimination, interference, restraint or coercion by the Carrier against any employee because of his/her membership in the Union.

ARTICLE 5 – WORK STOPPAGE

The Carrier and the Union agree that the public interest requires the efficient and uninterrupted performance of all Carrier services, and to this end pledge their best efforts to avoid or eliminate any conduct contrary to this objective. During the life of this Agreement, the Union shall not cause or condone any work stoppage, strike, slowdown, or other interference with Carrier functions by employees under this Agreement, and should same occur, the Union agrees to take appropriate steps to end such interference. Employees covered by this Agreement who engage in any of the foregoing actions shall be subject to such disciplinary action as may be determined by the Carrier.

ARTICLE 6 – MANAGEMENT RESPONSIBILITY

The Union recognizes the prerogative of the Carrier to operate and manage its affairs in all respects in accordance with its lawful mandate, and the powers of authority which the Carrier has not specifically abridged, delegated, or modified by this Agreement are retained by the Carrier, including but not limited to the right to contract for services of any and all types.

The direction of its working force is vested exclusively in the Carrier. This shall include, but not be limited to the right to: (a) direct employees; (b) hire, promote, transfer, assign, and retain employees; (c) suspend, demote, discharge, or take other legitimate disciplinary action against employees; (d) relieve employees from duty because of lack of work or other legitimate reasons; (e) maintain the efficiency of the operation entrusted to the Carrier; (f) determine the methods, means, and personnel by which such operations are to be conducted and (g) take any actions necessary in conditions of emergency, regardless of prior commitments, to carry out the mission of the agency; provided, however, that items (a) through (g) shall not be in conflict with the provisions of the Railway Labor Act, state or federal law or this labor agreement.

ARTICLE 7 – UNION ACTIVITIES

Section 7.1 Authorized representatives of the Union may, after notifying the Carrier official in charge, visit the work location of employees covered by this Agreement at any reasonable time for the purpose of investigating conditions on the job. Such representatives shall confine their activities during such investigations to matters relating to this Agreement. Carrier work hours shall not be used by employees or Union representatives for the conduct of Union business or the promotion of Union affairs.

Section 7.2 A member of the Union acting in any official capacity whatsoever shall not be discriminated against for his/her lawful acts as such officer of the Union. Further, it is mutually agreed that there shall be no discrimination based upon union membership or union activity.

Section 7.3 - Stewards Right to Process Grievances Stewards shall be permitted to devote reasonable periods of time during normal working hours, without loss of pay, for the investigation, presentation, and settlement of employee grievances, subject to the following conditions:

- A. Such time shall be with the approval of the steward's immediate supervisor and such approval shall not be unreasonably withheld. The steward shall report back to his/her supervisor upon return to work.
- B. The Union shall furnish the Carrier with a written list of its stewards immediately after his/her designation and promptly notify the Carrier of any change in such stewards; provided that the number shall not exceed one (1) steward.

Section 7.4 Union Stewards shall not be unreasonably denied layoff privileges for the purpose of attending to Union business. However, layoff must be requested of and approved by Carrier official as far in advance as possible. Requests or demands for layoff on short notice may be denied due to customer/Carrier work needs.

Section 7.5 Negotiations The Carrier shall pay the regular straight-time rate for all hours spent in formal contract negotiations between Management and the Union for one (1) Yard Clerk for each negotiation session up to a maximum of eighty (80) hours.

Section 7.6 Up to eighty (80) hours per year of layoff privileges will be extended to the bargaining unit for purposes of Union training, conferences and conventions. In no case will the total of eighty (80) hours per year be exceeded except by mutual agreement between the Carrier and the Union.

ARTICLE 8 – SAFETY STANDARDS

Section 8.1 All work shall be done in a competent and professional manner.

Section 8.2 The Carrier and the Union mutually agree that those applicable safety standards as outlined in federal, state, City, customer and department regulations legally binding upon the Carrier shall be complied with, including RULES Book, bulletins and standards. Periodic safety training will be provided. Knowledge of aforementioned safety standards may be periodically evaluated. An employee previously certified on rules who fails to pass a subsequent rules examination will be given a second rules examination before being withheld from service.

It is recognized by the parties signatory to this agreement that the Carrier retains existing right to conduct rules review, safety classes and training classes during assigned working hours without additional pay.

Section 8.3 The employer will make every effort to comply with applicable safety codes as set forth in federal and state law, and employees shall cooperate in the use of all safety devices. All toilets, lunchrooms, and washrooms shall be kept in a clean and sanitary condition, properly heated and ventilated with the management in the maintenance of a generally well-kept shop and in the proper use of sanitary facilities.

Section 8.4 Union stewards and/or business representatives or member designated by the Union may attend all safety committees and act as ex officio members of those committees. When acting in such capacity they shall be provided copies of minutes upon request.

Section 8.5 Yard Clerks employed at Tacoma Rail will wear work boots that have ankle support and steel shank soles while on duty. Employees will be granted a \$300 boot allowance payable on the second paycheck in January of each calendar year.

Employees hired after the approval of this Agreement will be provided a one-time reimbursement for work boots up to a maximum of \$300 upon presentation of the original purchase receipt and following their successful completion of the probationary period.

ARTICLE 9 – PERSONAL TIME OFF / VACATION

Section 9.1 Personal Time Off. Effective upon ratification of this Agreement and during all designated open enrollment periods, all employees shall have the option to convert to Personal Time Off. The designated open enrollment period shall be during the month of November of each year for the term of this agreement. Conversion to PTO is irrevocable.

Employees hired after January 1, 2009 and who become covered by this agreement shall be subject to the provisions of the Personal Time Off plan as outlined in Section 1.12.248 of the Tacoma Municipal Code. For convenience, that section says, in part:

A. Rate of accrual of Personal Time Off.

1. Employees who elect to transfer from their present vacation and sick leave plans to the Personal Time Off plan during a designated enrollment period shall accrue Personal Time Off hours for each biweekly pay period in which he or she has been in paid status, pursuant to the following schedule based on aggregate City service. The Personal Time Off plan is in lieu of vacation and sick leave plans.

Completed Years of Service	No. of 8-Hour Days per Year	Hours per pay period
0 through 3 years	18	5.54
4 through 7 years	21	6.46
8 through 13 years	23	7.08
14 through 18 years	26	8.00
19 years	27	8.31
20 years	28	8.62
21 years	29	8.92
22 years	30	9.23
23 years	31	9.54
24 years	32	9.85
25 years	33	10.15
26 years	34	10.46
27 years	35	10.77
28 or greater years	36	11.08

2. Employees shall accrue Personal Time Off prorated on the number of hours in paid status in each pay period. The appropriate biweekly accrual shall be credited for each biweekly pay period in which the employee is in paid status. Personal Time Off accruals based on tenure shall be credited at the first of the calendar year in which any of the above periods will be completed. Eligible employees who are on military leave of absences for active training or for inductive purposes shall accrue Personal Time Off.

3. No employee shall earn more Personal Time Off in any one calendar year than the above stipulated days and new employees shall accrue Personal Time Off based on the above schedule beginning from the date of his or her appointment.

B. Permissible use of Personal Time Off accruals.

1. Use of Personal Time Off. Personal time off shall be taken in full hourly increments with a minimum of four (4) hours.

2. Planned Use of Personal Time Off. Personal Time Off requests may be required in writing and the appointing authority, or his or her designee, shall consider the request and shall approve or deny it.

3. Unplanned Use of Personal Time Off. For purposes of this agreement unplanned use of personal time off is defined as less than five (5) calendar days' notice.

Yard Clerk(s) shall earn twelve (12) hours of additional paid time off for each six consecutive months during which the employee does not utilize any unplanned PTO, to a maximum total of 24 hours off per year. This additional paid time off may be converted to cash, at the employee's option. Employees shall be allowed to utilize wellness time off as additional Floating Holidays. Rates of pay will be governed by the provisions of Appendix A.

A. Personal Time Off may be used without prior approval for employee or family emergencies. If an advance written request is not possible, the employee shall notify his or her supervisor of the need for and the request of the time off prior to the beginning of his/her shift. An employee must keep his or her department head informed of his/her condition if unplanned use of Personal Time Off is of more than four working days in

duration. Unplanned use of Personal Time Off which interferes with job performance or City operations may subject the employee to corrective action.

4. Employee is allowed to use any or all of the employee's choice of sick leave or Personal Time Off to care for: (a) a child of the employee with a health condition that requires treatment or supervision; or (b) a spouse, parent, parent-in-law, or grandparent of the employee who has a serious health condition or an emergency condition. For purposes of this section, the following definitions apply:

- (a) "Child" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis who is: (a) Under 18 years of age; or
- (b) 18 years of age or older and incapable of self-care because of a mental or physical disability.
- (b) "Grandparent" means a parent of a parent of an employee.
- (c) "Parent" means a biological parent of an employee or an individual who stood in loco parentis to an employee when the employee was a child.
- (d) "Parent-in-law" means a parent of the spouse of an employee.
- (e) "Spouse" means a husband or wife, as the case may be.

5. Permissible Cash-out of Accrued Personal Time Off.

- a. An employee who uses no more than the equivalent of two work days (regardless of length of scheduled shift) of unplanned Personal Time Off in any one calendar year (January to December), but who has used less than 80 hours of planned Personal Time Off during the same calendar year, may, in January of the following year, submit in writing, on the form provided by and available in the Human Resources Department, a request for a payment equal to 90 percent of the cash value of up to 40 hours of accrued Personal Time Off.
- b. An employee who uses no more than the equivalent of two work days (regardless of length of scheduled shift) of unplanned Personal Time Off in any one calendar year (January to December) and who uses at least 80 hours of planned Personal Time Off during the same calendar year may, in January of the following year, submit in writing, on the form provided by and available in the Human Resources Department, a request for a payment equal to 90 percent of the cash value of up to 80 hours of accrued Personal Time Off.
- c. For any request submitted pursuant to subsections a or b above, the cash value of the Personal Time Off shall be based on the rate for the classification in which the employee is working at the time the request is made. The 10 percent balance of the cash value not so paid under either option set forth above shall be paid into the Employee Benefit Trust Fund.

C. Maximum accrual of Personal Time Off.

- 1. Each employee may accrue a maximum of 960 hours of Personal Time Off.
- 2. If the appointing authority, or his or her designee, denies an employee's request for Personal Time Off and the denial would result in the employee's accrual exceeding the maximum, allowed the employee shall not lose the accrual at that time. The employee shall have up to 90 days to use the excess accrual.

D. Compensation upon separation from City service.

1. Upon separation from City service, the City shall pay an employee the full amount of the Personal Time Off accruals up to the maximum of 960 hours at the rate for the classification in which he or she was working in on the date of separation.

2. Upon the death of an employee, the City shall pay the appropriate beneficiary the full amount of the Personal Time Off accruals up to the maximum of 960 hours at the rate for the classification in which he or she was working in on the date of death.

E. Conversion of vacation accruals. Employees converting to the Personal Time Off plan who currently have vacation accruals will have those accruals converted to Personal Time Off on an hour for hour basis (1:1).

F. Conversion of sick leave accruals. Employees converting to the Personal Time Off plan who currently have sick leave accruals must specify one of the following options: (1) placing accruals in a sick leave bank; (2) converting accruals to Personal Time Off; or (3) a combination thereof, as set forth below.

1. Sick Leave Bank.

- a. Accrued sick leave as of the last pay period, after a designated enrollment period, may be placed into a sick leave bank.

- b. Use of Sick Leave Bank. An employee may choose to use sick leave from this bank for any reason specified in Sections 1.12.230 and 1.12.232 of the Tacoma Municipal Code, after an absence of more than three consecutive days.

- c. Depletion of Sick Leave Bank. Employees do not accrue any additional sick leave after the conversion to the Personal Time Off plan. Once the sick leave is used from the sick leave bank, the leave used shall not be replenished.

- d. Cash Out of Sick Leave Bank.

- (i) Separation from City service due to death or retirement for disability or retirement based on length of service shall be compensated to the extent of 25 percent of an employee's sick leave accrual in his or her sick leave bank at the rate for the classification in which he or she was working in at the date of separation subject to the provisions of Section 1.12.229 of the Tacoma Municipal Code (VEBA).

- (ii) Separation in good standing from City Service for any other reason shall be compensated to the extent of 10 percent of an employee's sick leave accruals up to a maximum of 120 days at the rate for the classification in which he or she was working in at the date of separation.

2. Conversion of Sick Leave to Personal Time Off. An employee who converts to Personal Time Off during a designated enrollment period may elect to convert sick leave accruals as of the last pay period after a designated enrollment period to Personal Time Off using a ratio of 24 hours of sick leave to 8 hours of Personal Time Off (3:1) up to a combined (current vacation accruals and converted sick leave) maximum of 720 hours of Personal Time Off.

3. Combination. An employee may elect to convert some, but not all, of his or her sick leave to Personal Time Off. Any sick leave not specifically converted during a designated enrollment period will be placed in a sick leave bank as set forth above.

Section 9.2 Vacation Employees hired prior to January 1, 2009 and who have elected to remain on the vacation leave plan shall have vacation as provided in Section 1.12.220 of the Tacoma Municipal Code and the Joint Labor Agreement. Section 1.12.220 provides in part for the following:

A. Rate of accrual of vacation leave.

1. Employees shall accrue vacation leave by reason of tenure based on the following schedule of aggregate City service.

<i>Completed Years of Service</i>	<i>Accrued Hours Per Pay Period</i>	<i>Number of 8-hour Days of Per Year</i>
0 through 3 years	3.69	12
4 through 7 years	4.6	15
8 through 13 years	5.22	17
14 through 18 years	6.14	20
19 years	6.45	21
20 years	6.76	22
21 years	7.07	23
22 years	7.38	24
23 years	7.69	25
24 years	8	26
25 years	8.31	27
26 years	8.62	28
27 years	8.93	29
28 or greater years	9.24	30

The appropriate bi-weekly accrual shall be credited for each bi-weekly pay period in which the employee is in a paid status. Vacation accruals based on tenure shall be credited at the first of the calendar year in which any of the above periods will be completed.

2. No employee shall earn more vacation in any one calendar year than the above stipulated days, and new employees shall accrue vacation based on the above schedule beginning from the date of their appointment.
3. Extra Board employees will accrue vacation prorated on the number of hours worked.
4. Vacation accrual balances shall not exceed an amount equal to two (2) years' accrual.
5. Vacation leave may not be taken without the prior approval of the appointing authority and may not be taken in the pay period in which it was earned. Vacation leave shall be scheduled so as to meet the operating requirements of the Carrier, and, as far as practicable, the preferences of the employees.
6. Vacations shall be taken in one (1)-hour increments with a minimum of four (4) hours.

ARTICLE 10 – SICK LEAVE

Section 10.1 Sick Leave Employees hired prior to January 1, 2009 and who have elected to remain on the sick leave plan shall have sick allowance with pay as provided in Section

1.12.230 of the Tacoma Municipal Code and the Joint Labor Agreement. Section 1.12.230 provides in part for the following:

- A. Each regularly employed full-time employee shall accrue sick leave at the rate of 3.69 hours per bi-weekly pay period which is equivalent to approximately one working day for each full calendar month of service. There is no limit to the number of days sick leave an employee may accrue.
- B. Sick leave shall be taken in one (1) hour increments with a minimum of four (4) hours.
- C. An employee separated from service due to death or retirement for disability or length of service is compensated to the extent of twenty-five (25%) percent of his/her sick leave accruals; an employee separated in good standing from service for any other reason is compensated to the extent of ten (10%) percent of his/her sick leave accruals, up to a maximum accrual of one hundred twenty (120) days.

Yard Clerk(s) shall earn twelve (12) hours of additional paid time off for each six consecutive months during which the employee does not utilize any sick leave, to a maximum total of 24 hours off per year. This additional paid time off may be converted to cash, at the employees option. Employees shall be allowed to utilize wellness time off as additional Floating Holidays. Rates of pay will be governed by the provisions of Appendix A.

Section 10.2 - Supplemental Benefits There is hereby established a non United States governmental plan for sickness insurance, within the meaning of Section 1 (j) of the Railroad Unemployment Insurance Act. The purpose of this plan is to supplement the sickness benefits payable under the Act, not to replace or duplicate those benefits. Benefit payments under this plan are not intended to be wages or salary or pay for time lost and will not increase an employee's "years of service" under the Railroad Retirement Act.

- A. Each regular full-time, probationary, or permanent extra employee shall accrue sick leave at the rate of 3.69 hours for each bi-weekly pay period in which they have any regular time for which regular pay will be received. Eligible employees who are on a leave of absence for active duty training or for inductive purposes shall accrue sick leave. Sick leave shall be credited to an employee's accruals after the completion of each bi-weekly pay period and may not be used in the pay period earned. There shall be no limit on sick leave accruals.
- B. Sickness benefits paid under this Article 10 shall be equal to one hundred (100) percent of the employee's regular basic daily rate; provided that if the employee has served in higher or lower positions on temporary appointments, benefits shall be computed on the pay rate appropriate to the class of position that the employee has worked on for the majority of time in the six (6) month period immediately prior to the effective date of the sick leave taken.
- C. Where the benefits under this Article supplement an allowance from a Railroad Retirement Board (RUIA), the combined total of such supplemental benefits and the allowance received from the Railroad Retirement Board for any one (1) day shall not exceed one hundred (100) percent of the appropriate basic daily rate. A Yard Clerk who forfeits any allowance from the Railroad Retirement Board because of failure to timely file for such benefits shall also forfeit any benefits he would otherwise be entitled to under this Article. By mutual agreement, as a result of collective bargaining under the

provisions of the Railway Labor Act, as amended the Carrier agrees to pay the employee one hundred (100) percent of his/her basic daily rate including benefits received from RUIA and the employee upon receipt of RUIA benefits shall endorse and turn over to Tacoma Rail monies received. Failure to comply with this agreement shall be cause for forfeiture of all benefits under this agreement including monies and hours. Flagrant violations of this agreement shall be cause for disciplinary action. Employees paid in advance under the provisions of this Article, and failing in their responsibility that causes forfeiture of benefits shall be liable to repay monies received to Carrier.

- D. Benefits under this Article apply to non-occupational injury or bona fide sickness of organic origin and of sufficient severity to disable the employee, provided that such non-occupational injury or sickness was not caused by the use of drugs or intoxicants, recklessness, gross negligence or any act contrary to law. Benefits shall not apply to routine doctor or dental appointments.
- E. In order to be granted benefits under this Article, the employee must report to the proper authority the reason for the absence and keep the Assistant Superintendent - Administration informed of his condition if the absence is of more than four (4) working days' duration. The Assistant Superintendent - Administration must be satisfied that the reason for each absence is legitimate, and satisfactory evidence, including a verifying certificate from a reputable physician, verifying that the employee was physically unable to perform his/her regular duties may be required.

ARTICLE 11 – ON THE JOB INJURY

Any Tacoma Rail employee injured on the job shall elect (1) whether to be reimbursed for medical expense and time loss by the City under Chapter 1.12 of the Tacoma Municipal Code on a full release base, or (2) through the provisions of the Federal Railroad Retirement Act, or (3) the Railroad Federal Employers' Liability Act. The Carrier, in the event the employee elects to proceed under alternate (2) on demand and proper invoice shall reimburse the Railroad Retirement account for such costs so expended from said account on the employee's behalf. In the event the employee elects to proceed under alternate (3), the Carrier shall be credited with an offset for any such costs expended on behalf of the employee. Any sick leave used under alternates (1) and (2) shall be reinstated to the extent of that credited and accumulated prior to such injury but not to exceed ninety (90) days in total. In the event of a change to Chapter 1.12 of the Tacoma Municipal Code, the parties agree to enter into immediate negotiations to resolve any conflicts of this Article with the Tacoma Municipal Code.

ARTICLE 12 – HOLIDAYS

Section 12.1 - Holidays: This article supersedes Section 6.12 of the Joint Labor Contract. Railway Yard Clerks, employees in the foregoing classification, shall be compensated for the following holidays in accordance with the provisions of this section:

- New Year's Day (January 1);
- Memorial Day (last Monday in May);
- Fourth of July;
- Labor Day (1st Monday in September);

Thanksgiving Day;
and Christmas Day (December 25).

All holidays shall be observed on the day in which they fall.

An employee shall receive pay for the holiday provided he/she is in a paid status on both the regularly scheduled workday immediately preceding the holiday and the regularly scheduled workday following the holiday.

When a holiday falls on an employee's rest day, he/she may request the preceding or following day off as unpaid. Subject to Management discretion and based upon staffing requirements, the employee may be allowed to take an alternate day off as unpaid within the same pay period as the holiday. In the event two or more requests are received for the same day, seniority shall prevail.

In the event sufficient Yard Clerks are available for service as determined by Management, and no additional expense will accrue to the Carrier, the requirement that a Yard Clerk performs service on his/her workdays immediately preceding and following such holiday may be waived.

NOTE: The employee who bid the shift which includes the holiday shall have first right to work the holiday. If the employee declines, the Carrier and Union agree that Yard Clerks shall be asked in seniority order to work on a designated holiday in the above paragraph. In the event no senior Yard Clerk desires to work and Carrier still requires their service, the junior Yard Clerk(s) may be forced. In any event all service performed on one of the six holidays listed above shall be at two (2) times the regular rate.

- A. Floating Holidays: In addition to the days listed above, eligible employees shall receive two (2) additional paid holidays per calendar year for which time off shall be mandatory. To be eligible for these holidays, employees must have been or are scheduled to be continuously employed by the Carrier for more than four (4) months as a regular, probationary, or appointive full-time employee during the calendar year of entitlement. Such additional holidays shall be scheduled so as to meet the operating requirements of the Carrier and, as far as practicable, the preferences of the individual employees. The floating holiday may not be taken without prior approval of the appointing authority. Floating holidays shall be taken in 12-hour increments.
- B. All regularly assigned employees shall be entitled to holiday pay and paid for holidays at the rate of their regular classification except in those instances where they are working in higher or lower positions, either on temporary appointments or by assignment to extra list, in which case they shall be paid at the rate appropriate to the appointment in effect at the time of the holiday. If the employee's rate of pay is different on the last day of regular work prior to the holiday and the first day of regular work after the holiday, the lower rate of the two shall apply for holiday pay. If an employee works on the holiday, the class in which he/she is working will determine the rate of holiday pay.

ARTICLE 13 – BENEFITS

Section 13.1 Medical, dental, hospital and disability insurance shall be as provided in Section 1.12.095 of the Tacoma Municipal Code and the Joint Labor Agreement.

Section 13.2 Group life insurance shall be as provided in Section 1.12.096 of the Tacoma Municipal Code. The City will pay fifty percent (50%), or more, as budgeted therefore, of the cost of premiums for those employees electing to participate. The amount of insurance an employee may purchase is equal to one times his/her annual salary, rounded to the next highest thousand dollars.

Section 13.3 - Jury Duty A regularly employed full time Yard Clerk shall be granted leave of absence at his/her normal rate of pay if called for jury duty. Carrier and Union agree that employees covered by this Agreement shall be compensated for jury service as follows:

- A. Jury service is recognized as 8-hour increments of pay which conflicts with the 12-hour work schedule of the Railway Yard Clerk;
- B. Daily compensation of 12 hours would continue for each day of actual jury service; this would ensure no interruption of pay stability for the employee involved;
- C. In the event an employee serves 80 hours or a full pay period, the employee would receive 80 hours pay for jury duty;
- D. Jury Duty Service is documented by the Courts Jury Administrator and the employee is required to submit said documentation to be eligible for jury duty pay;
- E. Monies received for jury duty paid by the courts will be deducted from employee's gross pay.
- F. In the event a Yard Clerk called for jury duty works the night/graveyard shift, they will be held off their regular shift the night immediately before they are required to report for jury duty and will be compensated a basic day's pay. A Yard Clerk reporting for jury duty will not be required to protect their assignment on the same night/graveyard shift.

ARTICLE 14 – NON-DISCRIMINATION

It is mutually agreed that there shall be no discrimination against any and all classes protected under federal, state or local laws, including, but not limited to race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability (which does not prevent proper performance of the job) unless based upon a bona fide occupational qualification. The Union and management representatives shall work cooperatively to assure the achievement of equal employment opportunity. Furthermore, employees who feel they have been discriminated against shall be encouraged to use the grievance procedure set up under this Agreement prior to seeking relief through other channels.

Whenever words denoting the masculine gender are used, they are intended to apply equally to either gender.

It is mutually agreed that there shall be no sexual harassment. Sexual harassment prevention guidelines are set forth in Personnel Management Policy #130.

ARTICLE 15 – HOURS OF WORK

- A. The hours of work shall consist of 12 hour work shifts, with 3 days on and 4 days off, 4 days on and 3 days off unless changed by mutual agreement; each pay period will consist of 80 straight-time hours, plus 4 hours at the overtime rate of time and one-half upon implementation date of June 28, 1993.
- B. Starting times for 12-hour work shifts shall be 6:00 a.m. and 6:00 p.m. unless changed by mutual agreement. Markup shall be by written bid made to the Assistant Superintendent – Administration, or designee, on a quarterly basis, and awarded in seniority order.
- C. Carrier and Union agreed to adjust the hourly rate of pay on June 28, 1993 in recognition of payment for breaks and meal periods not being taken away from work stations.

ARTICLE 16 – AVAILABILITY AND LAYOFF PROCEDURES

Regularly assigned Yard Clerks shall be required to provide a minimum of three (3) hours' notice when laying off. Yard Clerks who layoff will be required to mark up no later than twelve (12) hours prior to the start time of their next regularly assigned shift.

All known vacancies shall be filled by calling the next available Yard Clerk.

Availability is defined as the ability to perform service at the straight time rate without regard to seniority, but in no case already assigned for that twenty-four (24) hour mark-up period.

Order of Call:

- 1. Calls for overtime would be in seniority order provided no straight time employees are available.
- 2. As a voluntary extension of shift, up to an additional six (6) hours. This supersedes Article 17 (B). Overtime hours worked under this provision shall be paid at the double time rate of pay.
- 3. In the event the Carrier is still unable to fill the vacancy, the most junior regular Yard Clerk shall be forced to protect the vacancy.
- 4. In the event no regular full-time Yard Clerk fills an overtime vacancy, other methods as determined by the Carrier shall be applied.

Employees assigned to known vacancies shall not be recalled by the Carrier for new vacancies. Movements, required by customer demand, of an entire shift would require recall to the affected Yard Clerk.

ARTICLE 17 – OVERTIME

- A. Service performed in excess of eighty (80) hours within any pay period will be considered overtime and will be paid for at the rate of time and one-half (1-1/2). (See note below for exceptions).
- B. An employee performing service in excess of twelve (12) continuous hours shall be paid at one and one-half (1-1/2) times the hourly rate for time worked in excess of twelve (12) hours. No Yard Clerk shall work longer than 16 hours within a twenty-four (24) hour period, except in cases of voluntary shift extension as provide for in Article 16.
- C. An employee performing service on holidays as specified in Article 12 shall be paid at two (2) times the hourly rate in addition to holiday pay.
- D. Employees performing service beyond his/her scheduled consecutive work week shall be paid one and one-half (1-1/2) times the basic straight time rate for such excess work except:
 - 1. When changing off where it is the practice to work alternately days and nights for certain periods.
 - 2. When exercising seniority rights from one assignment to another.
- E. There shall be no overtime on overtime.

NOTE: Sick leave and Personal Time Off Unplanned shall not count as service performed. In the event a Yard Clerk is paid sick leave or unplanned personal time off, in lieu of performed service, during their 36 hour work week, in a payroll period, their 4 hour overtime payment will not be reduced for that period. Conversely, a Yard Clerk paid sick leave or unplanned personal time off in lieu of performed service, during their 48 hour work week shall not be paid the 4 hours of overtime normally earned.

In the event a Yard Clerk is paid sick leave, unplanned personal time off or leave without pay for more than one (1) working shift within the entire pay period, a Yard Clerk will not be eligible for overtime until 80 hours of service has been performed. Vacancies occurring shall be called in seniority order.

ARTICLE 18 – GUARANTEED POSITION

- A. Carrier and Organization agree to create a guaranteed position for one (1) Railway Yard Clerk.
- B. The rate of pay for this position is guaranteed compensation equal to eighty (80) straight time hours per pay period.

- C. Carrier and Organization agree that the guaranteed rate of pay shall be offset by:
1. All hours worked.
 2. Sick leave pay.
 3. Vacation.
 4. Personal Time Off planned/unplanned
 5. Holidays.
 6. Jury Duty.
 7. All earnings in any craft.
- D. Carrier and Organization agree that the guaranteed position will protect vacancies as follows:
1. Scheduled vacancies of Railway Yard Clerks - 1st priority
 2. Vacancies created by Yardmaster - 2nd priority
 3. Scheduled vacancies are defined as those Yard Clerk vacancies arranged 10 days in advance
 4. The guaranteed position will also protect non-scheduled vacancies or may be called to perform service for the Carrier that are within the scope of the Yard Clerk duties; and
 5. The guaranteed position may be called to assist other Yard Clerk staff with assigned work as authorized by the Assistant Superintendent – Administration. When so called in, the guaranteed position responsibilities will focus on checking outlying service areas of Tacoma Rail in addition to updating customer facility inventories; and
 6. The minimum call in for the guaranteed position is for four (4) hours.
 7. The guarantee position will be provided with one identified rest day per week, when practicable.

ARTICLE 19 – EXTRA BOARD

- A. Carrier and Organization agree that an employee Extra Board may be established.
- B. Employees assigned to the Extra Board will not receive a guaranteed income.
- C. Employees assigned to the extra board shall protect all vacancies or call ins and shall not be called in for less than (4) four hours service.
- D. Eligible employees assigned to the Extra Board may receive pro-rated benefits such as medical, personal time off or vacation and sick leave accruals.

- E. Where there is a Yard Clerk on the Yard Clerk extra board available for work at the straight time rate, such Yard Clerk shall be called before calling a Yard Clerk in the Yard Clerk craft at the overtime rate.

ARTICLE 20 – RAILWAY YARD CLERK DUTIES

Under the direction of the Tacoma Rail Assistant Superintendent – Administration, the Railway Yard Clerks perform railroad related clerical duties. Duties are determined by management as outlined in the classification of Railway Yard Clerk, 7101, which include, but are not limited to the following:

Run reports and provide electronic notification to customers identifying railcar availability and/or bad order status.

Input customers' special instructions, releases, placements, spotting and pulling requests into the railcar tracking system to maintain an accurate inventory of railcars available for all Tacoma Rail customers.

Verify industries and update the information as necessary to accurately reflect the daily activities and movement of the railcars. Generate and print or fax reports for the Yardmaster, managers, switch crews, customers or others.

Create and generate hazardous paperwork for the switch crews, Yardmaster, Federal Railroad Administration, and other authorized personnel as required by federal regulations.

Maintain tower operations while Yardmaster is away from the desk to include radio communications with switch crews and Class I railroads; track and time authorization; assist with inquiries as necessary.

Transport crews to and from job site(s) as necessary; deliver zone lists, switch lists and/or other paperwork to switch crews as necessary.

Apply proper billing to inbound and outbound railcars; constructively place railcars, update railcars to lease status; route bad order or damaged railcars to appropriate repair shops throughout North America; ramp and de-ramp intermodal railcars.

Manually apply container information to intermodal cars when not provided electronically by customers.

Electronically assemble contract trains from intermodal terminals and prepare for Class I departure.

Verify inbound and outbound trains from Class I railroads and switch crews; enter information into the railcar tracking system in proper sequence on corresponding tracks.

Document accurate, up-to-date inventory of Tacoma Rail division(s) in preparation for a closure due to a holiday or other than 24/7 operations. Upon reopening, verify new arrival(s) and/or departure(s) on all Tacoma Rail yard, support and interchange tracks.

Perform related Yard Clerk duties as assigned.

ARTICLE 21 – TRAINING

Section 21.1 The training program is defined as that program which provides cross training opportunities for Tacoma Rail employees.

The first completed work shift after completion of the training program will establish a seniority date. The Carrier shall generally encourage equal access to training opportunities to the extent that operational requirements of Tacoma Rail permit. The Union shall be given an opportunity, upon request, to offer suggestions to the Carrier on ways to improve access to training opportunities.

This provides for Seniority Rights, subject to the City's legal and contractual obligations. The Carrier agrees that Civil Service examinations shall be held on a promotional basis for all other than entry-level positions from among current employees who meet the minimum qualifications. The Carrier is not restricted from also holding the examination for the above positions on an open basis when necessary to obtain a sufficient number of qualified eligible candidates. The following terms and conditions shall apply:

- A. Training Program - All Tacoma Rail employees who voluntarily apply and are accepted to participate in the training program shall retain and continue to accrue seniority previously established.
- B. Rates of Pay - Candidates accepted into the training program shall be paid at their current level of pay while they are being trained.
- C. Candidates who have successfully completed training must protect the last craft for which training was completed.
- D. The training program will be a minimum of six (6) weeks in length with daily evaluations. At the completion of the program, the Carrier will provide a pass/fail notice to the employee.
- E. Unless the Carrier waives this provision, a candidate may only participate in the training program one time for any craft.

Section 21.2 Training as a Yard Clerk. The first completed work shift after completion of the training program will establish a Yard Clerk seniority date.

The Carrier is not restricted from holding an examination for the Yard Clerk position on an open basis when necessary to obtain a sufficient number of qualified eligible candidates. The following terms and conditions shall apply:

- A. The Union agrees to designate a training coordinator(s) to facilitate the training of candidates. The Carrier must concur with the employee(s) designated as training coordinator(s). An employee assigned this function will be paid one hour of straight time pay for each day so assigned.
- B. The training program will be a minimum of six (6) weeks and a maximum of twenty-six (26) weeks in length with daily evaluations. At the completion of the program, the Carrier will provide a pass/fail notice to the employee.

- C. Once a candidate has successfully completed the Yard Clerk training program, a 125-work shift probation period begins. Evaluations will be conducted throughout the probation. After probation completion, a permanent appointment to the classification may be made.
- D. Unless the Carrier waives this provision, a candidate may only participate in the training program one time for any craft.

Section 21.3 Yard Clerk Meetings.

- A. Yard Clerks who are directed by the Carrier to attend a meeting shall be paid for actual time attending the meeting, with a minimum of four (4) hours, to be paid for at the straight time rate of pay.
- B. If the meeting is conducted continuous with completion of the working shift, or is started not to exceed one (1) hour after completion of the shift, or if begun not to exceed one (1) hour in advance of starting time of the shift, work and the meeting shall be combined and paid for on a continuous basis. All hours in excess of twelve (12) shall be paid at the overtime rate of pay.
- C. If meeting is conducted during the working shift, no additional payment will be made for attending the meeting.

ARTICLE 22 – SENIORITY

Seniority shall be defined as all time in the Yard Clerk classification (as identified by a personnel action request – PAR), following completion of the training program. Employees who have promoted out of the unit into a non-represented position shall have their seniority continue to accrue as if they were still in the craft.

Employees who have promoted out of the unit may return to the bargaining unit under the following circumstances: (1) on a voluntary basis when there is a vacant position or (2) exercise seniority to bump back as a result of a reduction in force.

ARTICLE 23 – DISCIPLINE

Section 23.1 - General Requirements

- A. It is understood that the parties hereto are also governed by provisions of the Federal Railway Labor Act (RLA) as amended, and with respect to disciplinary matters it is agreed that discipline (set forth below) is intended to comply with the RLA and shall be exclusively applied, Civil Service Rule 1.24.950 and 1.24.955 notwithstanding.
- B. An employee shall not be discharged, suspended or otherwise disciplined without just cause and without a fair and impartial investigatory hearing as provided under the RLA, except that an employee may waive a hearing in accordance with Section 23.2B1.
- C. An employee shall not be held from service pending an investigatory hearing except in serious cases, such as theft, altercation, Rule "service" violation, insubordination, major

accidents, serious misconduct and major offenses whereby the employee's retention in service could be hazardous.

Section 23.2 - Formal Investigatory Hearing

A. Notice of Investigatory Hearing

1. An employee directed to attend a formal investigatory hearing to determine the employee's responsibility, if any, in connection with an occurrence or incident shall be notified in writing by certified mail, return receipt requested, to the last known address or hand-delivered within a reasonable period of time but not to exceed ten (10) days from the date of occurrence of, where the occurrence is of a nature not immediately known to the employee's supervisor(s), from the time they first have knowledge thereof. The notice shall contain a clear and specific statement of the date, time, place and nature of the occurrence or incident that is to be the subject of the hearing. The Carrier shall provide the Shop Steward and Business Representative a copy of the signed notice.

NOTE: This rule does not preclude delivery of the notice at reasonable times by a Carrier representative. Delivery at the employee's home shall be made only when other means of delivery are not practicable.

2. The notice shall state the date, time and place the hearing is to be held which shall not be less than five (5) days after the date of notification or more than ten (10) days after the date of notification unless otherwise agreed to.
3. The Carrier will have the responsibility of producing sufficient witnesses to develop the facts concerning the incident or occurrence being investigated and the notice of hearing shall include the name of each person receiving the notice and the names of all witnesses known at the time of the notice that the Carrier intends to have in attendance at the hearing. The employee or the employee's representative may bring to the attention of the responsible Carrier official the name or names of other witnesses who may provide facts.
4. The notice shall inform each employee so notified of the right to representation and to bring in witnesses.
5. If an employee who is to receive a notice of hearing will not be permitted to exercise the option under Section 23.2B, the notice of hearing shall so specify.

B. Waiver of Hearing

1. An employee who has been notified to appear for a hearing shall have the option, prior to the hearing, to discuss with the appropriate Carrier official, either personally through or with the employee's representative, the act or occurrence and the employee's responsibility, if any. If disposition of the charges is made on the basis of the employee's acknowledgement of responsibility, the disposition shall be reduced to writing and signed by the employee and the official involved and shall incorporate a waiver of hearing and shall specify the maximum discipline which may be imposed for employee's acceptance of responsibility. Disposition of cases under this paragraph (1) shall not establish precedents in the handling of any other cases.

2. No minutes or other record will be made of the discussions and, if the parties are unable to reach an agreed upon disposition on this basis, no reference shall be made to these discussions by either of the parties in any subsequent handling of the charges under the discipline procedure.

C. Postponements of Hearing

1. Consistent with the provisions of Section 23.2 for a fair and impartial hearing, postponements of the formal hearing may be requested by either party on reasonable grounds and consent shall not be unreasonably withheld.

D. Conduct of Hearing

1. The hearing shall be conducted by an officer of the employing Carrier who may be assisted by other officers. If practicable to do so, the hearing shall be held at the home terminal of the employee involved or in cases where more than one employee is involved, at the home terminal of the majority of the employees.
2. NOTE: When another Carrier is involved, this will not preclude an officer of that Carrier from conducting the hearing or assisting in the hearing recognizing, in any case, that there shall be only one presiding (hearing) officer.
3. The employee shall have the right to be represented at the hearing by an employee or an organization representative of the employee's own choosing. The employee and/or the employee's representative shall have the right to introduce witnesses in the employee's behalf, to hear all testimony introduced, and to question all witnesses.
4. An employee's personal service record will not be included in or referred to in the hearing or in the transcript of the proceedings of the hearing. The employee's personal record may be taken into consideration in assessing the amount of discipline imposed, if any.
5. If the formal hearing is not held within the time limits specified in Section 23.2, the employee will not be disciplined, will be paid for all time lost, and no disciplinary entry will be made in the employee's personal service record.
6. The employee and witnesses will be permitted time off if requested in order to have sufficient rest prior to and following the hearing.

Section 23.3 - Transcript of Hearing

It is recognized that the Carrier is responsible for ensuring that an accurate transcript of the hearing proceedings is made. However, this will not preclude the employee or employee's representative from making a record of the proceedings for their own use.

If during the hearing, a partial transcript is made prior to conclusion of the hearing, such partial transcript will be made available to the employee and employee's representative upon request. If electronic recording devices are used and recordings are available for review by Carrier

officials, they also shall be made available upon request for review by the employee and employee's representative at appropriate Carrier facility.

In any case where discipline is assessed, or in cases where discipline is not assessed but nevertheless there is a transcript, copy of the transcript will be furnished to the employee and the employee's representative promptly upon request.

Section 23.4 – Investigatory Hearing Decision

- A. If the formal investigatory hearing results in assessment of discipline, such decision shall be rendered within fifteen (15) calendar days from the date the hearing is concluded, and the employee will be notified in writing of the reason therefore by certified U.S. mail or hand-delivered to the Yard Clerk. The Carrier will provide a copy of the results letter to the Shop Steward and the Business Representative.

NOTE: This rule does not preclude delivery of the decision at reasonable times by a Carrier representative. Delivery at the employee's home shall be made only when other means of delivery are not practicable.

- B. If the hearing does not result in discipline being assessed, any charges related thereto entered in the employee's personal service record shall be voided.

Section 23.5 - Compensation for Attending Hearings

- A. Witnesses, as referred to in Section 23.2A and B, who are directed by the Carrier to attend a hearing, shall be compensated for all time lost for each day of the hearing. Where no time is lost they will be paid for actual time attending the hearing, with a minimum of four (4) hours, to be paid for at the rate of pay applicable to the last service performed.
- B. If the hearing is conducted continuous with completion of the working shift, or is started not to exceed one (1) hour after completion of the shift, or if begun not to exceed one (1) hour in advance of starting time of shift, work and hearing shall be combined and paid for on a continuous basis.
- C. If hearing is conducted during working shift, no additional payment will be made for attending hearing.
- D. When an employee involved in a formal hearing is not assessed discipline, the employee shall be compensated for all time lost. Where no time is lost the employee shall be paid for actual time attending the hearing with a minimum of four (4) hours for each day of the hearing, to be paid for at the rate of pay applicable to the last service performed.

Section 23.6 - Time Limit on Appeal

- A. When discipline has been assessed as a result of a formal hearing and the decision as rendered by the Carrier is not acceptable to the employee, any appeal must be addressed to the Superintendent, Carrier's highest designated appeals officer, and presented in writing by or on behalf of the employee involved, to the Superintendent's office, or by certified mail, within sixty (60) days from the date of notification of the assessment of discipline. Failing to comply with this provision, the decision shall be

considered final, but this shall not be considered as a precedent of waiver of the contentions of the employees as to other discipline cases.

Conference must be scheduled within ten (10) days of the Carrier's receipt of the appeal and be held within thirty (30) days unless an extension is mutually agreed to by the parties.

The Superintendent shall issue a written response to the appeal within thirty (30) days from the date of the conference. If the decision of the Carrier on appeal is in favor of the Yard Clerk, he/she will be paid in accordance with Section 23.5 of this Article. If the appeal is denied, the reasons for such denial shall be given. If no decisions rendered within thirty (30) days, the appeal shall be considered valid and settled accordingly, but this shall not be considered as a precedent or waiver of the contentions of the Carrier as to other discipline cases.

- B. With respect to appeals involving an employee dismissed, suspended or held out of service, the original notice of request for reinstatement with pay for time lost shall be sufficient, and need not be repeated in each subsequent appeal.
- C. If at any point in this appeals procedure, or in proceedings before a tribunal (Public Law Board, Special Board of Adjustment or National Railroad Adjustment Board) having jurisdiction, it is determined that the employee should not have been disciplined, any charges related thereto entered in the employee's personal service record shall be voided and, if required to lose time or if held out of service (suspended or dismissed), the employee shall be reinstated with pay for all time lost and with seniority and other rights unimpaired.
- D. If discipline assessed is by suspension, time lost by an employee when held out of service shall be deducted from the assessed period of suspension.

Section 23.7 - Effect of Time Limits

- A. The time limits and other processes set forth in this Article will govern the discipline procedure to the exclusion of any other rule, practice or agreement to the contrary. Time limits may be extended by mutual agreement in writing.

ARTICLE 24 – TIME REPORTS AND GRIEVANCES

Section 24.1 Grievance is hereby defined as an alleged violation of a specific provision or provisions of this Agreement submitted by the grieving party to the other party within sixty (60) days of the alleged violation, or the date on which the grieving party should reasonably have known of the alleged violation. It is the purpose of this clause to provide the employees and the Union with an orderly and effective means of achieving consideration of any grievance which may arise during the life of this Agreement. For this purpose, the following steps are agreed upon as the appropriate order of contact:

- Step 1 Employee raises grievance with his/her immediate supervisor or Union representative raises grievance with the Carrier official most immediately involved (written communication not required).

Step 2 The employee and/or his/her Union representative shall, as soon as possible but not later than sixty (60) days after an employee could reasonably know of the occurrence giving rise to the grievance, reduce the matter to written form, stating all facts in detail, citing section or sections violated and proposed remedy, and submit same to immediate supervisor, or the Carrier official most immediately involved. The supervisor or official shall within sixty (60) days, record his/her disposition in written detail, returning same to the Union representative and the employee.

Step 3 Failing to resolve the grievance in the second step, the Union representative shall, within sixty (60) days of receipt of the supervisor's disposition take up the matter with the Tacoma Rail Superintendent, or his/her designated representative (with a copy to Human Resources). Management shall, within sixty (60) days of receipt of the grievance, and after consulting with the Human Resources Director, respond in writing to the Union representative and employee. If the matter is not satisfactorily settled or adjusted in this stage, the grievance may be submitted to arbitration.

Section 24.2 Grievances not resolved may be referred to arbitration by the employee or Union. The Union shall give notice of its intention to arbitrate within sixty (60) days following completion of steps listed. Arbitration procedures shall be as set forth in Section 3 of the Railway Labor Act. Any decision by the arbitrator shall have no power to render a decision that shall add to, subtract from, or alter, change, or modify the terms of this Agreement, and his/her power shall be limited to interpretation or application of the terms of this Agreement.

Section 24.3 It is understood that there shall be no suspension of work, slowdown, or curtailment of services while any difference is in process of adjustment or arbitration pursuant to the terms of this Agreement.

ARTICLE 25 – LABOR MANAGEMENT COMMITTEE

A Labor Management Committee shall be established consisting of two (2) members of Labor, the Union Business Representatives or a designee, and one (1) bargaining unit employee appointed by the Union; the Human Resources designee; and one (1) management staff appointed by the Rail Superintendent.

The Committee shall be primarily advisory in nature and will meet on a quarterly basis on the first Thursday in the months of March, June, September and December. Meetings may be cancelled or postponed by mutual agreement. The Committee shall be used to discuss and investigate issues of common concern and may be used to discuss negotiable issues.

The Committee shall establish its own rules of procedure, chair, and time and place of meetings.

ARTICLE 26 – SAVING CLAUSE

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of the Agreement shall not invalidate the remaining portions thereof, and the remaining parts or portions remain in full force and effect. Both parties agree to immediately attempt to re-negotiate such invalidations to a form acceptable to both parties and which meets with the legal approval of the City Attorney.

ARTICLE 27 – TERM OF AGREEMENT

This Agreement shall remain in full force and effect from January 1, 2017, to and including December 31, 2019, provided, however, that this Agreement shall be subject to such change or modification as may be mutually agreed upon by the parties hereto under the provisions of the Railway Labor Act as amended. It is the intent of the parties to this Agreement that a Section Six Notice for change or modification shall not be submitted prior to July 1, 2019 to be effective no sooner than January 1, 2020.

APPENDIX A

DISTRICT LOCAL #160 on behalf of LOCAL LODGE #297 of the IAM and AW

Bargaining Unit Wages

Wages for 2017 shall be \$34.72 per hour and shall become effective September 18, 2017 in the event the membership approves/ratifies this contract by November 15, 2017, and will include a one-time lump sum payment of \$1,000 per employee in the Yard Clerk classification, job code 71010.

Effective January 1, 2018 wages shall be increased by \$0.85 per hour, making the hourly rate \$35.57.

Effective January 1, 2019 wages shall be increased by \$0.90 per hour, making the hourly rate \$36.47.

All new employees hired after 6-28-93 shall be paid as follows:

0-12 months 75% of journey rate

Increase to 100% of journey rate upon successful completion of the probationary period

Longevity Pay

As per Ordinance 20938, all the above classifications shall receive longevity pay as follows:

1% of base pay with aggregate service of 5 through 9 years of service

2% of base pay with aggregate service of 10 through 14 years of service

3% of base pay with aggregate service of 15 through 19 years of service

4% of base pay with aggregate service of 20 or more years of service

Longevity pay shall be computed on base rates only.

Deferred Compensation

As soon as practicable following Council adoption of this Agreement the City will match the 457(b) deferred compensation contributions of Tacoma Rail Yard Clerks covered by the Federal Railroad Retirement Act. A maximum matching contribution of three (3) percent.

Retirement Contribution

The bargaining unit participates in the Western Metal Industry Pension Fund ("Fund"), a supplemental pension. As a result of the Fund's critical status for the plan year beginning January 1, 2010, and as required by the Pension Protection Act, the Fund's Board of Trustees adopted a Rehabilitation Plan consisting of a Preferred Schedule and a Default Schedule. The parties have agreed to adopt the Western Metal Industry Pension Fund Rehabilitation Plan-Preferred Schedule. The impact of such an action upon the wages for the employees covered by this bargaining agreement is designated below:

Railway Yard Clerks

The Union has agreed that designated members will forego seventy cents (\$.70) per compensable hour in wages to which the members would otherwise be entitled.

The City has agreed that it will pay a corresponding total of seventy cents (\$0.70) per compensable hour for each designated member of the Union into the Pension Fund entitled the Western Metal Industry Pension Fund (Fund). The amount to be paid to the Fund shall be forwarded to the Fund on a monthly basis.

The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month. The City agrees to abide by such rules as currently established by the Trustees of the Fund which facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such amounts, and the accurate reporting and recording of such hours and such amount paid on account of each member of the bargaining unit.

The parties agree that if this Agreement does not meet the requirements of the fund or if it does not meet any legal requirement, or if Union members are not able to join this Fund for any reason, the City is under no obligation to provide benefits similar to those in the Fund, or to renegotiate the terms of this Agreement in order to meet the requirements of the Fund or any legal requirement, or in order to allow any Union member to be able to join the Fund.

Retirement Rehabilitation (updated to reflect current rates)

The parties agree that the City shall not be responsible for any unrecoverable contributions lost to the plan in the event the Agreement is found not to meet the Fund or other legal requirements. The parties agree that the City shall not be responsible for reimbursing or otherwise accounting for the contributions of any union members who do not vest in the Fund for any reason.

In accordance with the Western Metal Industry Pension Fund Rehabilitation Plan-Preferred Schedule, effective July 1, 2012, supplemental rate increases will be implemented. In addition to the initial seventy-cent (\$0.70) contribution rate, employees will forego an additional amount as follows: an additional sixteen percent (16%) of the seventy cents (\$0.70) effective July 1, 2012; an additional thirty-two percent (32%) effective July 1, 2013; an additional forty-eight percent (48%) effective July 1, 2014; an additional sixty-four percent (64%) effective July 1, 2015; an additional eighty percent (80%) effective July 1, 2016; an additional ninety-six percent (96%) effective July 1, 2017; an additional one hundred twelve percent (112%) effective July 1, 2018; and an additional one hundred twenty-eight percent (128%) effective July 1, 2019, and an additional one hundred forty-four percent (144%) effective July 1, 2020; and an additional one hundred sixty percent (160%) effective July 1, 2021; and so forth, all as prescribed in the Rehabilitation Plan – Preferred Plan, a copy of which has been provided to the City and the Union.

The initial seventy-cent (\$0.70) contribution and the additional supplemental rate increases set forth above will be collected by the City and the total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month.

This agreement shall remain in effect until the expiration of the current collective bargaining agreement between the Union and the City.

EXECUTED IN TACOMA, WASHINGTON, ON THIS _____ DAY OF _____ 2017.

City of Tacoma
Department of Public Utilities:

District Lodge #160 on behalf of LOCAL
LODGE #297 of the IAM and AW:

Director of Public Utilities

Business Representative

Senior Labor Relations Manager

Superintendent Tacoma Rail

APPROVED AS TO FORM:

City Attorney

Attest:

City Clerk

Index of Memorandums of Understanding

160 Yard Clerks 2017-2019

Use of Extra Board Under Article 19

April, 16, 2010

Amendment to the Use of Extra Board under Article 19

July 5, 2011

**City of Tacoma
And
International Association of Machinists
and Aerospace Workers
District Lodge No. 160, on behalf of Local Lodge No. 297
TACOMA RAIL YARD CLERK UNIT
MEMORANDUM OF UNDERSTANDING
Use of Extra Board under Article 19**

This Memorandum of Understanding is between City of Tacoma, Tacoma Rail, and the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Tacoma Rail Yard Clerk Unit, regarding Article 19, Extra Board, of the 2009 – 2011 collective bargaining agreement.

The intent of this memorandum is to clarify the utilization of the Extra Board and is not intended to modify Article 19 of the collective bargaining agreement, nor be precedent setting for any future matters relating to Tacoma Rail.

Employees who are assigned to the Extra Board will be required to participate in training and perform temporary Yard Clerk functions and responsibilities as assigned by the Carrier. The terms and conditions of the training program in Article 21 shall apply.

In the event an employee assigned to the Extra Board comes from a different craft ("cross craft") within Tacoma Rail and is represented by a different union, the employee when so assigned as a Yard Clerk, will be required to assume the terms and conditions of the Yard Clerk classification, which includes working under the Yard Clerk collective bargaining agreement, receiving Yard Clerk compensation, making supplemental pension contributions and all other items not specifically stated herein.

Both parties acknowledge the benefits of the Extra Board to the Carrier, the Union, and the employees and therefore, agree that the cross craft employee will not be required to pay initiation fees or dues to the IAM&AW Yard Clerk Unit for membership until such time as the assignment becomes full-time and permanent.

It is understood this Memorandum of Understanding will be in effect upon signatures of the parties. This will remain in effect until terminated by mutual agreement of the Union and the Carrier, or unilaterally by either the Union or the Carrier with a ninety (90) day written notice.

Executed this 16th day of April, 2010.

Original Signed By

For IAM & AW, District Lodge 160
Robert Westbrook Business Representative
Rosalyn Crawford, Shop Steward

For City of Tacoma, Tacoma Rail
Dale King, Rail Superintendent
Chris Beincourt, Labor Relations Manager

**City of Tacoma
And
International Association of Machinists
and Aerospace Workers
District Lodge No. 160, on behalf of Local Lodge No. 297
TACOMA RAIL YARD CLERK UNIT**

**AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING
Use of Extra Board under Article 19
Dated April 16, 2010**

This Memorandum of Understanding is between City of Tacoma, Tacoma Rail, and the District Lodge #160, on behalf of Local Lodge #298 of the International Association of Machinists and Aerospace Workers, Tacoma Rail Yard Clerk Unit, regarding Article 19, Extra Board, of the 2009 – 2011 collective bargaining agreement.

This amendment to the original memorandum of understanding dated April 16, 2010 is to clarify the intent of the Parties recognizing the investment of resources expended to train extra board Yard Clerks, and that the most senior extra board Yard Clerk employee shall be appointed to the next permanent position that becomes available, pursuant to Article 21 of the current collective bargaining agreement.

It is understood this Amendment to the Memorandum of Understanding will be in effect upon signatures of the parties. This will remain in effect until terminated by mutual agreement of the Union and the Carrier, or unilaterally by either the Union or the Carrier with a ninety (90) day written notice.

Executed this 5th day of July, 2011.

Original Signed By

For IAM & AW, District Lodge 160
Robert Westbrook Business Representative

For City of Tacoma, Tacoma Rail
Dale King, Rail Superintendent
John Dryer, Labor Relations Manager



RESOLUTION NO. U-10979

1 A RESOLUTION related to amendments of City Code and Customer Service
2 Policies to support proration of certain Tacoma Power and Water fixed
3 charges for utility services.

4 WHEREAS the City of Tacoma, Department of Public Utilities, Water
5 Division (d.b.a. "Tacoma Water") and Light Division (d.b.a. "Tacoma Power"),
6 has requested specific amendments to the Tacoma Municipal Code and
7 Customer Service Policies that support the proration of fixed charges applicable
8 to utility services provided by Tacoma Water and Tacoma Power, and
9

10 WHEREAS under current billing practices, customers pay the following
11 fixed rates in full, regardless of when they receive service for only a portion of a
12 month: Customer Charge (Tacoma Power); Hydrant Service Fee (Tacoma
13 Water); Franchise Hydrant Service Fee (Tacoma Water); and Ready to Serve
14 Charge (Tacoma Water), and
15

16 WHEREAS Tacoma Water and Tacoma Power recommend the following
17 Sections of the Tacoma Municipal Code ("TMC") be modified to support
18 proration of fixed charges therein: For Tacoma Power, TMC Sections
19 12.06.160, 12.06.170, 12.06.215, 12.06.225, 12.06.260, and 12.06.290; and for
20 Tacoma Water, TMC Sections 12.10.301, 12.10.303, and 12.10.400 A..

21 WHEREAS Tacoma Water and Tacoma Power further recommend the
22 fixed charge proration provisions be added to the following Customer Service
23 Policies documents: for Tacoma Power, Customer Service Policies Section
24 16.0; and for the Customer Services Division, Customer Services Policies
25 Section 4.2.11; Now, therefore,
26



BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

1 Sec. 1. The Public Utility Board of the City of Tacoma hereby concurs
2 with the recommendations of Tacoma Water and Tacoma Power to approve
3 amendments to the Tacoma Municipal Code, and hereby approves related
4 modifications to the Customer Service Policies of the Power and Customer
5 Services Divisions, which expressly authorize and support proration of fixed
6 charges applicable to utility services provided by Tacoma Water and Tacoma
7 Power.
8

9 Sec. 2. The proposed revisions to Chapters 12.06 and 12.10 of the
10 Tacoma Municipal Code are approved and the City Council is requested to
11 concur in this action by adopting a new Ordinance that amends provisions in
12 Chapters 12.06 and 12.10 related to proration of fixed charges for utility service
13 substantially in the form as on file with the Clerk and as approved by the City
14 Attorney.
15

16 Approved as to form and legality:

17 
18 _____
19 Chief Deputy City Attorney

Chair

Secretary

20 _____
Clerk

Adopted _____

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

Request for Board Meeting
of December 13, 2017

REQUEST FOR RESOLUTION

Date: December 7, 2017

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Amending necessary policies and documents to allow for the proration of fixed customer charges.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

Amend the necessary policies and documents to allow for the proration of fixed customer charges.

3. Summarized reason for resolution:

Under the current billing practice, Tacoma Water and Tacoma Power customers pay fixed rates in full, even when they receive services for only a portion of the month. The affected policies and documents will be updated to accommodate the proration of associated fixed charges.

4. Attachments:

a. Memo from Scott Dewhirst and Chris Robinson to Linda McCrea dated December 1, 2017.

5. ☒ Funds available ☐ Proposed action has no budgetary impact

6. Deviations requiring special waivers:

Originated by:

Requested by:

Approved:



Section Head

Division Head

Director of Utilities



TO: Mayor and City Council
FROM: Linda McCrea, Interim Director of Utilities/CEO
COPY: Elizabeth Pauli, City Manager
SUBJECT: Resolution/Ordinance – Authorize modification of TMC to allow for fixed charge proration – January 9, 2018.
DATE: December 7, 2017

SUMMARY:

Tacoma Power recommends amending the Tacoma Municipal Code (TMC) to support the proration of its customer charge. Under the current billing practice, Tacoma Power customers pay the full customer charge, even when they receive services for only a portion of the month.

STRATEGIC POLICY PRIORITY:

The request for customer charge proration is a direct response to customer feedback. It demonstrates Tacoma Power's commitment to understanding the needs of its customers within the communities it serves.

BACKGROUND AND ISSUE:

For Tacoma Power customers, a customer charge (as defined in Chapter 12.06 of the TMC) is applied in full at the start of each billing month. Consider a residential Tacoma Power customer with the following rate schedule:

Rate, City, Year	Residential A-1, Tacoma, 2017
Customer Charge	\$13.50

Currently, if this customer moves four days into a billing month they incur a customer charge in the amount of \$13.50 for only four days of service. Even further, if this customer subsequently moves into a residence within the Tacoma Power service territory, they incur a second customer charge in the amount of \$13.50 within the same billing month.

Should this recommendation be implemented, Tacoma Power customers will incur customer charges based on days of service. For example, if a customer moves four days into a billing month, that customer will incur a customer charge of \$1.80.

It should be noted that all three Environmental Services utilities (Surface Water, Solid Waste, and Wastewater) prorate fixed charges. See Exhibit 1 for an example of a five-service bill for a partial month of service. On this bill, a non-prorated Tacoma Power customer charge and prorated Environmental Services fixed charges are observed. With board and council approval, Tacoma Water will begin prorating its Hydrant Service Fee and Ready to Serve Charge.

ALTERNATIVES:

Tacoma Power considered alternatives to the proposed action. If this request is not approved, Tacoma Power will bring forward an alternative for consideration. One alternative is to



maintain the existing billing practice. A second alternative is to impose a daily, rather than monthly, customer charge.

RECOMMENDATION:

Tacoma Power recommends TMC be modified to support fixed charge proration, effective April 1, 2018. TMC Chapter 12.06 (Electric Energy – Regulations and Rates) defines each Tacoma Power customer charge as a specified rate applied “per month, or any fraction thereof.” The proposed amendments prepend the statement “calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies” to existing definitions in the following chapter sections:

- 12.06.160 Residential service
- 12.06.170 Small general service
- 12.06.215 General service
- 12.06.225 High voltage general service
- 12.06.260 Contract industrial service
- 12.06.290 Street lighting and traffic signal service

FISCAL IMPACT:

Tacoma Power leveraged historical service connection and disconnection events to estimate the fiscal impact of a prorated customer charge under existing rates. With this, approximately \$800,000 per year will be prorated to Tacoma Power customers. Please note, the analysis neglects to account for business efficiencies that might be gained from bill proration in IT, customer, and administrative services. In order to mitigate the financial impact, Tacoma Power may adjust other fees in the future.

ATTACHMENTS:

- Redlined Tacoma Municipal Code



TO: Mayor and City Council
FROM: Linda McCrea, Interim Director of Utilities/CEO
COPY: Elizabeth Pauli, City Manager
SUBJECT: Resolution/Ordinance – Authorize modification of TMC to allow for fixed charge proration – January 9, 2018.
DATE: December 7, 2017

SUMMARY:

Tacoma Water recommends amending the Tacoma Municipal Code (TMC) to support the proration of fixed charges. Under the current billing practice, Tacoma Water customers pay the following fixed rates in full, even when they receive services for only a portion of the month:

- Fire Hydrant Service Fee
- Franchise Hydrant Service Fee
- Ready to Serve Charge

STRATEGIC POLICY PRIORITY:

The request for customer charge proration is a direct response to customer feedback. It demonstrates Tacoma Water's commitment to understanding the needs of its customers within the communities it serves.

BACKGROUND AND ISSUE:

For Tacoma Water customers, fixed charges (as defined in Chapter 12.10 of the TMC) are applied in full at the start of each billing month. Consider a residential Tacoma Water customer with the following rate schedule:

Rate, City, Year	5/8" Meter, Tacoma, 2017
Ready to Serve Charge	\$21.20
Fire Hydrant Service Fee	\$2.38
Fixed Charge Total	\$23.58

Currently, if this customer moves four days into a billing month they incur fixed charges in the amount of \$23.58 for only four days of service. Even further, if this customer subsequently moves into a residence within the Tacoma Water service territory, they incur a second customer charge in the amount of \$23.58 within the same billing month.

Should this recommendation be implemented, Tacoma Water customers will incur customer charges based on days of service. For example, if a customer moves four days into a billing month, that customer will incur a customer charge of \$3.14.

It should be noted that all three Environmental Services utilities (Surface Water, Solid Waste, and Wastewater) prorate fixed charges. See Exhibit 1 for an example of a five-service bill for a partial month of service. On this bill, the non-prorated Tacoma Water fixed charges and prorated Environmental Services fixed charges are observed. With board and council approval, Tacoma Power will begin prorating its Customer Charge.



ALTERNATIVES:

Tacoma Water considered alternatives to the proposed action. If this request is not approved, Tacoma Water will bring forward an alternative for consideration. One alternative is to maintain the existing billing practice. A second alternative is to impose fixed charges on a daily, rather than monthly, basis.

RECOMMENDATION:

Tacoma Water recommends TMC be modified to support fixed charge proration, effective April 1, 2018. Proposed amendments add the statement “calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies,” to the following chapter sections:

- 12.10.301 Fire hydrant services fee (inside City of Tacoma)
- 12.10.303 Franchise hydrant service fee
- 12.10.400 Rates – Inside and outside City limits

It should be noted, in chapter section 12.10.301, the fire hydrant service fee (inside City of Tacoma) closes with a statement the proposed chapter 12.06 amendments are modeled after: “The inside City of Tacoma customer portion of the fire hydrant service fee shall be calculated on a monthly basis, invoiced and collected pursuant to the applicable customer service policies.” Proposed language introduces only a comma to this instance.

FISCAL IMPACT:

Tacoma Water leveraged historical service connection and disconnection events to estimate the fiscal impact of a prorated customer charge under existing rates. With this, approximately \$450,000 per year will be prorated to Tacoma Water customers. Please note, the analysis neglects to account for business efficiencies that might be gained from bill proration in IT, customer, and administrative services. In order to mitigate the financial impact, Tacoma Water may adjust other fees in the future.

ATTACHMENTS:

- Redlined Tacoma Municipal Code



TO: City Council
Elizabeth Pauli, City Manager
FROM: Linda McCrea, Interim Director of Utilities
Chris Robinson, Power Superintendent
COPY: Government Performance and Finance Committee
SUBJECT: Tacoma Power Customer Charge Proration
DATE: December 7, 2017

SUMMARY:

Tacoma Power recommends amending the Tacoma Municipal Code (TMC) to support the proration of its customer charge. Under the current billing practice, Tacoma Power customers pay the full customer charge, even when they receive services for only a portion of the month.

BACKGROUND AND ISSUE:

For Tacoma Power customers, a customer charge (as defined in Chapter 12.06 of the TMC) is applied in full at the start of each billing month. Consider a residential Tacoma Power customer with the following rate schedule:

Rate, City, Year	Residential A-1, Tacoma, 2017
Customer Charge	\$13.50

Currently, if this customer moves four days into a billing month they incur a customer charge in the amount of \$13.50 for only four days of service. Even further, if this customer subsequently moves into a residence within the Tacoma Power service territory, they incur a second customer charge in the amount of \$13.50 within the same billing month.

Should this recommendation be implemented, Tacoma Power customers will incur customer charges based on days of service. For example, if a customer moves four days into a billing month, that customer will incur a customer charge of \$1.80.

It should be noted that all three Environmental Services utilities (Surface Water, Solid Waste, and Wastewater) prorate fixed charges. See Exhibit 1 for an example of a five-service bill for a partial month of service. On this bill, a non-prorated Tacoma Power customer charge and prorated Environmental Services fixed charges are observed. With board approval, Tacoma Water will begin prorating its Hydrant Service Fee and Ready to Serve Charge.

ALTERNATIVES:

Tacoma Power considered alternatives to the proposed action. If this request is not approved, Tacoma Power will bring forward an alternative for consideration. One alternative is to maintain the existing billing practice. A second alternative is to impose a daily, rather than monthly, customer charge.



FISCAL IMPACT:

Tacoma Power leveraged historical service connection and disconnection events to estimate the fiscal impact of a prorated customer charge under existing rates. With this, approximately \$800,000 per year will be prorated to Tacoma Power customers. Please note, the analysis neglects to account for business efficiencies that might be gained from bill proration in IT, customer, and administrative services.

RECOMMENDATION:

Tacoma Power recommends TMC be modified to support fixed charge proration, effective April 1, 2018. TMC Chapter 12.06 (Electric Energy – Regulations and Rates) defines each Tacoma Power customer charge as a specified rate applied “per month, or any fraction thereof.” The proposed amendments prepend the statement “calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies” to existing definitions in the following chapter sections:

- 12.06.160 Residential service
- 12.06.170 Small general service
- 12.06.215 General service
- 12.06.225 High voltage general service
- 12.06.260 Contract industrial service
- 12.06.290 Street lighting and traffic signal service

ATTACHMENTS:

- Redlined Tacoma Municipal Code



TO: City Council
Elizabeth Pauli, City Manager
FROM: Linda McCrea, Interim Director of Utilities
Scott Dewhirst, Water Superintendent
COPY: Government Performance and Finance Committee
SUBJECT: Tacoma Water Fixed Charge Proration
DATE: December 7, 2017

MMARY:

Tacoma Water recommends amending the Tacoma Municipal Code (TMC) to support the proration of fixed charges. Under the current billing practice, Tacoma Water customers pay the following fixed rates in full, even when they receive services for only a portion of the month:

- Fire Hydrant Service Fee
- Franchise Hydrant Service Fee
- Ready to Serve Charge

BACKGROUND AND ISSUE:

For Tacoma Water customers, fixed charges (as defined in Chapter 12.10 of the TMC) are applied in full at the start of each billing month. Consider a residential Tacoma Water customer with the following rate schedule:

Rate, City, Year	5/8" Meter, Tacoma, 2017
Ready to Serve Charge	\$21.20
Fire Hydrant Service Fee	\$2.38
Fixed Charge Total	\$23.58

Currently, if this customer moves four days into a billing month they incur fixed charges in the amount of \$23.58 for only four days of service. Even further, if this customer subsequently moves into a residence within the Tacoma Water service territory, they incur a second customer charge in the amount of \$23.58 within the same billing month.

Should this recommendation be implemented, Tacoma Water customers will incur customer charges based on days of service. For example, if a customer moves four days into a billing month, that customer will incur a customer charge of \$3.14.

It should be noted that all three Environmental Services utilities (Surface Water, Solid Waste, and Wastewater) prorate fixed charges. See Exhibit 1 for an example of a five-service bill for a partial month of service. On this bill, the non-prorated Tacoma Water fixed charges and prorated Environmental Services fixed charges are observed. With board and council approval, Tacoma Power will begin prorating its Customer Charge.

ALTERNATIVES:



Tacoma Water considered alternatives to the proposed action. If this request is not approved, Tacoma Water will bring forward an alternative for consideration. One alternative is to maintain the existing billing practice. A second alternative is to impose fixed charges on a daily, rather than monthly, basis.

FISCAL IMPACT:

Tacoma Water leveraged historical service connection and disconnection events to estimate the fiscal impact of a prorated customer charge under existing rates. With this, approximately \$450,000 per year will be prorated to Tacoma Water customers. Please note, the analysis neglects to account for business efficiencies that might be gained from bill proration in IT, customer, and administrative services. In order to mitigate the financial impact, Tacoma Water may adjust other fees in the future.

RECOMMENDATION:

Tacoma Water recommends TMC be modified to support fixed charge proration, effective April 1, 2018. Proposed amendments add the statement “calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies,” to the following chapter sections:

- 12.10.301 Fire hydrant services fee (inside City of Tacoma)
- 12.10.303 Franchise hydrant service fee
- 12.10.400 Rates – Inside and outside City limits

It should be noted, in chapter, section 12.10.301, the fire hydrant service fee (inside City of Tacoma) closes with a statement the proposed chapter 12.06 amendments are modeled after: “The inside City of Tacoma customer portion of the fire hydrant service fee shall be calculated on a monthly basis, invoiced and collected pursuant to the applicable customer service policies.” Proposed language introduces only a comma to this instance.

ATTACHMENTS:

- Redlined Tacoma Municipal Code

DATE: December 1, 2017

TO: Linda McCrea, Interim Director of Utilities

FROM: Chris Robinson, Power Superintendent
Scott Dewhirst, Water Superintendent

SUBJECT: Fixed Charge Proration

Tacoma Water and Tacoma Power recommend amending the necessary documents and policies to support the proration of fixed charges. Under current billing practice, Tacoma Water and Tacoma Power customers pay the following fixed rates in full, even when they receive service for only a portion of a month:

- Customer Charge (Tacoma Power)
- Fire Hydrant Service Fee (Tacoma Water)
- Franchise Hydrant Service Fee (Tacoma Water)
- Ready to Serve Charge (Tacoma Water)

BACKGROUND:

For Tacoma Water and Tacoma Power customers, fixed charges (as defined in Tacoma Municipal Code) are applied in full at the start of each billing month. Consider a residential customer with the following Water and Power rate schedules:

	Water	Power	Total
Rate, City, Year	5/8" Meter, Tacoma, 2017	Residential A-1, Tacoma, 2017	
Fixed Charges	Ready to Serve: \$21.20 Hydrant Service: \$2.38	Customer Charge: \$13.50	
Total	\$23.58	\$13.50	\$37.08

Currently, if this customer moves four days into a billing month they incur fixed charges in the amount of \$37.08 for only four days of water and power services. If this customer subsequently moves into a residence within the same service territories, they incur fixed charges in the amount of \$37.08 for a second time in the same billing month.

Should this recommendation be implemented, Tacoma Water and Tacoma Power customers will incur fixed charges based on days of service. For example, if a customer moves four days into a billing month, that customer will incur a customer charge in the amount of \$4.94.

It should be noted that all three Environmental Services utilities (Surface Water, Solid Waste, and Wastewater) prorate fixed charges. See Exhibit 1 for an example of a five-service bill for a partial month of service. On this bill, non-prorated Tacoma Water and Tacoma Power fixed charges and prorated Environmental Services fixed charges are observed.

RECOMMENDATION:

Tacoma Water and Tacoma Power recommend the following documents be modified to support fixed charge proration: (1) Tacoma Municipal Code (TMC), (2) Tacoma Power's Customer Service Policies, (3) Tacoma Water's Customer Service Policies, and (4) Customer Services Division's Customer Services Policies.

TACOMA MUNICIPAL CODE

- 12.06 Electric Energy – Regulations and Rates
Each Tacoma Power Customer Charge is defined as a specified rate applied “per month, or any fraction thereof.” The proposed amendments strike “or any fraction thereof” and prepend the statement “calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies,” to customer charge definitions in the following chapter sections:
 - 12.06.160 Residential service
 - 12.06.170 Small general service
 - 12.06.215 General service
 - 12.06.225 High voltage general service
 - 12.06.260 Contract industrial service
 - 12.06.290 Street lighting and traffic signal service
- 12.10 Water – Regulations and Rates
Proposed amendments add a statement identical to that proposed in chapter 12.06 and affect the following chapter sections:
 - 12.10.301 Fire hydrant services fee (inside City of Tacoma)
 - 12.10.303 Franchise hydrant service fee
 - 12.10.400 Rates – Inside and outside City limits

It should be noted, in chapter section 12.10.301, the fire hydrant service fee (inside City of Tacoma) closes with a statement the proposed chapter 12.06 amendments are modeled after: “The inside City of Tacoma customer portion of the fire hydrant service fee shall be calculated on a monthly basis, invoiced and collected pursuant to the applicable customer service policies.” Proposed language introduces only a comma to this instance.

TACOMA WATER CUSTOMER SERVICE POLICIES

Section 8.0 – Billing

Existing language references Customer Services Policies of the Customer Services Division and the TMC 12.10.400. This language allows the proposed proration policy to be outlined in the Customer Services Policies of the Customer Services Division.

TACOMA POWER CUSTOMER SERVICE POLICIES

Currently, the Tacoma Power Customer Service Policy makes no mention of billing practices. Proposed language adds a “Billing” section to the Tacoma Power Customer Service Policies, in the same fashion as the Tacoma Water Customer Service Policies Section 8.0 (A).

CUSTOMER SERVICES DIVISION CUSTOMER SERVICES POLICIES

Proposed language modifies section 4.2 of the existing document by adding the following statements:

“The Tacoma Water monthly hydrant service fee and the ready to serve charge, as set forth in TMC, may be prorated when service is furnished for any portion of a billing period.”

“Tacoma Power customer charges, as set forth in TMC, may be prorated when service is furnished for any portion of a billing period.”

Tacoma Power and Tacoma Water recommends the Public Utility Board approve fixed charge proration and policy documents amendments effective 04/01/2017.

SEE ATTACHMENTS:

- Five-Service Bill for a Partial Month of Service
- Redlined TMC
- Redlined Tacoma Power Customer Service Policies
- Redlined Customer Services Division Customer Services Policies

APPROVED:

Linda McCrea
Interim Director of Utilities

CUSTOMER SERVICE POLICIES



CUSTOMER SERVICE POLICIES

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2.2	Large-Load Requirements	3
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CUSTOMER SERVICE POLICIES

1.0 Statement of General Policy

The Public Utility Board has adopted these Customer Service Policies in the interest of consistency, safety, efficiency, and economy in the distribution of electricity. The purpose of these Policies are to help Customers obtain electrical Service and to guide Tacoma Power employees in providing such Service to Customers. These Policies are subject to revision by the Public Utility Board to achieve these objectives and purposes.

The 2013 revisions to these Policies shall supersede and amend all previously adopted Policies and shall become effective December 18, 2013. These Policies are adopted pursuant to the authority of Tacoma Municipal Code (TMC) Section 12.06.330.

If these Policies conflict with Rate Schedules, the Electrical Code of the City of Tacoma, the TMC, or contract provisions, then the Rate Schedules, the Electrical Code of the City of Tacoma, the TMC, or contract provisions shall apply.

The table below provides a checklist of the sections of this document that generally apply to each major building category. The checklist is not intended to be a comprehensive guide that replaces a careful reading of the entire Customer Service Policies document. Rather, it is intended to aid users by highlighting the sections most generally applicable.

Sections Applying by Major Building Category

Section	Single-Family Residential	Mobile Home Residential	Multi-Family Residential	Commercial	Industrial	Other
1.0	√	√	√	√	√	√
2.0	√	√	√	√	√	√
3.0	√	√	√	√	√	√
4.0				√		√
5.0	√	√				
6.0			√	√	√	√
7.0	√	√	√			
8.0	√	√	√			
9.0	√	√	√			
10.0	√	√	√			
11.0		√				√
12.0				√	√	√
13.0	√	√	√	√	√	√
14.0	√	√	√	√	√	√
15.0	√	√	√	√	√	√

CUSTOMER SERVICE POLICIES

Note that a number of terms used in this document are defined in the Definitions section of these policies.

2.1 Electrical Service

Prospective Customers are required to contact the Tacoma Power New Services Engineering Office prior to construction for information on available voltages and for assistance in obtaining the desired type of electrical service. Existing customers are required to contact the Tacoma Power Electrical Inspection Office prior to making any changes to their existing wiring or Load. Electrical Services Office hours are 7:30 a.m. to 5:00 p.m., Monday through Friday, excluding City holidays.

Most Tacoma Power Standards that apply to Customers, including information on electrical Service and permit requirements, can be found on the Tacoma Power Website, www.mytpu.org/tacomapower/permitting.

2.2 Electrical Service Availability and Characteristics

- A. Electrical Service is available at 60 hertz, single-phase and three-phase, and in delivery voltages up to 115,000 volts.

Tacoma Power will determine the Service voltage to be furnished depending on the characteristics of the Distribution system near the point of Service and on the Customer's electrical needs.

- B. Service voltages will be provided within the acceptable range established by current American National Standards Institute (ANSI) Standard C84.1-2006.
- C. The quality of power supplied by Tacoma Power is in accordance with Institute of Electrical and Electronics Engineers (IEEE) Standard 446-1980, Section 3.11.3, Table 3-7, and ANSI Standard C84.1a-2006.

2.3 Large-Load Requirements

- A. For the purpose of this section a large electrical Load will be defined as any Load of 8 Megavolt-amps (MVA) or greater. The following requirements will apply to new or expanded existing single Loads equal to or greater than 8 MVA. Exceptions to these large electrical Load requirements may be granted by Tacoma Power on a case by case basis depending on the Customer's property utilization and Tacoma Power's Distribution system availability.

- 1. The connection of large electrical Loads to the electrical system must be at the Transmission voltage level. Proposals for new or expanded Loads of this magnitude will trigger a system study to be performed by Tacoma Power. An exception to the Transmission connection requirement may be granted, but only if Tacoma Power determines through a Customer-funded system study that connection can take place at Distribution voltage without causing Tacoma Power to operate in violation of existing

CUSTOMER SERVICE POLICIES

12.5 kV or 13.8 kV Distribution standards, codes, planning and operation criteria, or regulations governing safe and prudent electric utility practices. If an exception is granted, the Customer will be required to participate in the funding of the installation or upgrading of Distribution feeders, including feeders that will be used as redundant feeds to the Customer's Load.

2. Electrical Service requests that are required to be served at the Transmission voltage level will require negotiation of a power sales contract with Tacoma Power and approval of the power sales contract by the Public Utility Board.
 3. Service rates will be defined by the published Tacoma Power rate schedules, or as otherwise defined in the Customer's power sales contract.
 4. If an exception is granted to connect an 8 MVA or greater new or expanded Service to Tacoma Power's 12.5 kV or 13.8 kV Distribution system, the metering system can take the form of:
 - a. Primary metered: The number of metering points provided shall be minimized and Tacoma Power will make final determination on the number and location of metering points offered. Where the site is a secure facility, Tacoma Power may require the facility be primary metered. Applicable Primary Service rates will be defined by the published Tacoma Power rate schedules.
 - b. Secondary metered from multiple points: Applicable Secondary Service rates will be defined by the published Tacoma Power rate schedules.
 5. In either metering case as defined in section 4 above, a negotiated power sales contract will be required with Tacoma Power to clarify the Customer's costs for the Distribution system and redundancy that is required by the Customer and Tacoma Power's planning and operational criteria. System capital and annual maintenance costs for Transmission and substation capacity may apply. Annual maintenance contracts for Tacoma Power's owned and dedicated substation and Distribution equipment may also apply.
- B. New and expanded existing Loads less than 8 MVA may be required to connect to the electric system at the Transmission level if Tacoma Power determines the customer's Load will cause Tacoma Power to operate in violation of existing 12.5 kV or 13.8 kV Distribution standards, codes, planning and operational criteria, or regulations governing safe and prudent electric utility practices.
- C. All Customers taking Service at Transmission voltages through a Customer-owned switchyard and substation will be subject to Tacoma Power's current

CUSTOMER SERVICE POLICIES

Technical Connection Requirements for Load Delivery Facilities, which define the responsibilities for furnishing, installing, owning, and maintaining the substation needed for operation, including structures required for metering transformers, conduits for metering, and Tacoma Power's protective relays.

2.4 Electrical Service in Downtown Tacoma

Special requirements apply to electrical Service in the downtown Tacoma area bounded approximately by South 7th Street to the north, South 17th Street to the south, Interstate 705 to the east, and Fawcett Avenue to the west. The Customer must contact the Tacoma Power New Services Engineering and Electrical Inspection Offices regarding all new or modified Service installations. Customers must submit an application for Electrical Service to the New Services Engineering Office early in the design phase of the project.

More information can be found on the Tacoma Power Web site
www.mytpu.org/tacomapower/permitting

2.5 General Conditions for Services

A. Electrical Services

1. All electrical Services shall conform to current Tacoma Power requirements. Customers are required to properly maintain their equipment on a regular basis. Customers shall be held responsible if their lack of proper maintenance adversely affects Tacoma Power's facilities.
2. The Customer shall provide electric Service equipment in accordance with current Tacoma Power Standards, the Electrical Code of the City of Tacoma, applicable city and State Codes, the NEC, and the Electric Utility Service Equipment Requirements Committee (EUSERC) requirements.
3. The Customer shall pay Tacoma Power the prescribed costs for the Service prior to any construction by Tacoma Power. Such costs shall be as determined in writing by the Director of Utilities per Chapters 12.01 and 12.06, TMC.
4. Only one Single Phase and/or Three Phase Service per Service voltage level will be supplied to each building. Any exceptions require the approval of Tacoma Power New Services Engineering.
5. When Tacoma Power identifies electrical installations as unsafe and disconnects electrical Service, reconnection will require purchase of a Tacoma Power electrical permit, upgrade of the installation in accordance with the requirements of this section, approval of all required inspections, and payment of required fees and charges.

CUSTOMER SERVICE POLICIES

- B. Tacoma Power reserves the right to access Customer premises for meter reading, inspection, and testing; or for installing, removing, repairing, or replacing Tacoma Power's equipment. As part of the right to access, Tacoma Power reserves the right to de-energize equipment when necessary for maintenance. Access to Tacoma Power's equipment shall be in accordance with Section 12.06.050b of the TMC. Failure to provide access could result in disconnection.
- C. Customers must obtain a Tacoma Power electrical permit before performing any modifications to their electrical installations.
- D. Customers must report Load additions or deletions that may cause damage to Tacoma Power's facilities. Customers will be charged for damages, replacing the metering, and the loss of revenue from inaccurate metering.
- E. Constructing permanent structures beneath primary overhead electrical Distribution lines, Transmission lines, or above buried primary Distribution lines is prohibited. State and NESC codes require clearance between structures and electrical lines. Contact New Services Engineering regarding proper clearances.
- F. Primary Line Extensions
 - 1. All new Primary Line Extensions of 15 kV and less within the Tacoma city limits must be underground and shall comply with the policies set forth in City Council Resolution No. 19022 adopted January 31, 1967, or related amendatory or superseding resolutions. Primary Line Extension within any other cities or towns that are served by Tacoma Power must comply with the ordinances of the respective cities. When the proposed development is outside the Urban Growth Area of any city in this state, Tacoma Power may exercise its discretion to allow the primary system to be overhead.
 - 2. The Customer must prepay all costs before any construction by Tacoma Power. Payments for Primary Line Extensions will be made in accordance with Tacoma Power's Transmission & Distribution procedures and the Letter of Agreement between Tacoma Power and the Customer or developer.
 - 3. Refunds will be made to Customers for new permanent Services added to a primary extension or a portion of the extension within a three-year period after completion of the primary extension. Refunds will be based on the payments made to Tacoma Power, per Section 2.4.F.2. Cumulative refunds will not exceed the Customer's initial investment in the primary extension. Refunds for Primary Line Extensions will be calculated in accordance with Tacoma Power's Transmission and Distribution procedures.

CUSTOMER SERVICE POLICIES

- G. Some equipment, particularly but not solely limited to motors and welders, can cause voltage and current fluctuations that are detrimental to the safe and efficient operation of electrical systems. The Customer is responsible to ensure that proper safeguards exist to ensure that operating any plant or equipment will not cause abnormal voltage fluctuations, overloading, short circuits, ground faults, low voltage, or cause damage or improper operation of Tacoma Power's or other Customer's operations or equipment.
1. If abnormal fluctuations or damage to equipment is detected, Tacoma Power may require that corrective actions be taken at the Customer's expense. If the damages to others are substantial, the electrical Service to the offending Customer may be disconnected until corrective action is taken.
 2. The Customer will be solely liable for any damages incurred by Tacoma Power and/or other Customers caused by his/her power quality problems.
 3. Customers shall meet Tacoma Power's Voltage Flicker Limits standards that apply to motor and other Loads, as specified in Tacoma Power's Electric Service Handbook and in the Tacoma Power Standards, provided on Tacoma Power's Web site www.mytpu.org/tacomapower.

2.6 Limitations

Tacoma Power is not responsible for losses or expenses directly or indirectly caused by power disturbances, including but not limited to business or production losses or any damage to Customer equipment. It is the Customer's responsibility to provide and maintain power-conditioning devices to protect sensitive electric Loads.

3.0 Temporary Service

Upon receiving a Customer request for Temporary Service, Tacoma Power will determine availability, charges, and Service requirements. The Customer shall pay for Temporary Service prior to installation.

4.0 Short-Term Service Connections

Short-term Service connections for Christmas tree lots, fireworks stands, and other comparable short-term activities are available. Customers requesting such Service shall obtain a permit from the Electrical Inspection Office and shall pay for all charges in advance, including the cost of energy, Service installation, removal, and electrical permit fees.

Additional charges will be assessed if a transformer installation is required. Upon the Customer's request and with Tacoma Power's approval, Service may be furnished from either an overhead or an underground primary system.

CUSTOMER SERVICE POLICIES

5.1 Single-Family Dwelling Units, Mobile Homes and Duplexes

For the purpose of these Policies, single-family Dwelling Units (with the exception of duplexes) that share a common wall or built under a common roof, shall be considered Multi-Family Dwelling Units as covered in Section 6.0.

A. Underground Service

1. For Underground Secondary Service, the Customer will be required to:
 - a. Furnish the trench, install conduit(s) and cable(s), and backfill the trench.
 - b. After Underground Secondary Service has been installed and energized, Tacoma Power will own and maintain the Secondary Service up to the Customer's Service point. The Service point is defined as the point where the Customer's Service conductors are connected to Tacoma Power's Service utility conductors.
2. Tacoma Power will not be responsible for the cost of replacing or repairing the Secondary Service wires, data wires, and conduits in the event wires or conduits have been damaged by dig-ins or other actions taken by or on behalf of the Customer and beyond the control of Tacoma Power.

B. Overhead Service

1. Tacoma Power will furnish, install, and maintain the Overhead Secondary Service wire.
2. However, Tacoma Power will not be responsible for the cost of replacing or repairing the Secondary Service wires and data wires in the event the wires have been damaged by actions taken by or on behalf of the Customer and beyond the control of Tacoma Power.
3. The Customer will be responsible for trimming and removing trees and other vegetation away from the Service wire(s) on the Customer's property.

6.1 Multi-Family, Commercial, and Industrial Services

- A. Customers who require an electrical Distribution system shall sign a Letter of Agreement with Tacoma Power's New Services Engineering Office and pay the appropriate construction charges prior to construction.
- B. Secondary Service
 1. Underground
 - a. The Customer will be required to furnish and install civil and electrical systems associated with Underground Secondary Service in accordance with Tacoma Power Standards.

CUSTOMER SERVICE POLICIES

- b. All secondary conductors shall be installed before the transformer is set in place. The Customer shall pay for crew labor costs for removing the transformer to pull the secondary conductors.
 - c. Tacoma Power will make all secondary connections at the transformer or Secondary Service box.
 - d. In the event of an Underground Service failure, the customer will be responsible for replacing the Secondary Service wires, data wires, and the conduits from the Customer's Service equipment to the Secondary Service box or transformer.
- 2. Overhead
 - a. Tacoma Power will furnish, install, and maintain the Overhead Service wire.
 - b. The Customer will be responsible to trim or remove trees and other vegetation away from the Service wire on his/her property.
- C. The Customer will be solely responsible for the cost of replacing or repairing the Secondary Service wires or data wires in the event said wires have been damaged by causes beyond the control of Tacoma Power Primary Voltage System.
 - 1. All primary voltage system (PVS) designs must be approved by an electrical engineer licensed in the State of Washington prior to submittal to Tacoma Power to plan review.
 - 2. The Customer shall install and maintain transformer Vault(s), junction Vault(s), walk-in Vault(s), and transformer guard posts in accordance with current Tacoma Power Standards and meet any additional requirements Tacoma Power deems necessary.
 - 3. At the discretion of Tacoma Power, civil systems such as trenches, conduit, Vaults, and structures such as slabs, junction boxes, guard posts, metering apparatus for PVS may be installed either by the Customer or Tacoma Power at the Customer's expense.
 - 4. Customer-installed civil systems for PVS shall be installed by a qualified electrical contractor licensed in the State of Washington under RCW 19.28 and in accordance with current Tacoma Power Standards and any additional requirements Tacoma Power deems necessary. A Tacoma Power construction inspector shall inspect the installation.
 - 5. The Customer shall pay for all charges associated with each new or revised Service, including equipment installed by Tacoma Power, prior to any construction by Tacoma Power. For each permanently metered new Service or increase in Service capacity, a credit shall be given for the current cost of a transformer up to and including 500 kVA.

CUSTOMER SERVICE POLICIES

6. Tacoma Power will install the PVS cable and make both the primary and secondary transformer terminations.
 7. Tacoma Power will own and maintain the primary conduits, cable, and transformers except Customer-owned primary equipment.
- D. Electrical Service to high rise buildings (20+ floors)
1. Developers of high rise buildings shall make provisions for transformer rooms at approximately 20 floor intervals in accordance with current Tacoma Power Standards.
 2. Special requirements apply to primary power cable routing and transformer room designs. The building design team must work closely with Tacoma Power engineering to arrive at an acceptable final power system design. Up to 18 months lead time for design coordination is required. Once the utility design is complete, then a construction schedule will be provided that includes the delivery time for long lead time materials. Engineering and material deposits will be required.
 3. Unless otherwise established by Tacoma Power's Engineering Office, the power system will be owned and operated by Tacoma Power. An access agreement will be required between the property owner and Tacoma Power to govern access, operation, maintenance, or replacement of equipment.
 4. A transportation agreement to install and service the transformers, equipment, and power cables will be required between Tacoma Power and the property owner.

7.1 Residential Developments Primary Voltage System

- A. Underground primary systems in residential developments shall conform to current Tacoma Power requirements. The Customer shall pay for all Tacoma Power installed equipment, except transformers, prior to any construction by Tacoma Power.
- B. A developer who requires an electrical Distribution system shall sign a Letter of Agreement with Tacoma Power's New Services Engineering Office and pay the appropriate construction charges prior to construction.
- C. These Policies will cover the installation of the electrical primary system and the Secondary Service to the corner of the lot closest to the transformer. Extending the Secondary Service run, when requested by the developer or property owner, shall be considered to be of special benefit to the property served, and construction charges shall be assessed in accordance with Tacoma Power policies.

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8.1 Residential Developments by Local Improvement District

- A. The Local Improvement District (L.I.D.) policy of Tacoma Power is authorized pursuant to Washington State law (Title 35, RCW) for projects initiated by property owners within a specific geographic area to accomplish a specific improvement project in cooperation with Tacoma Power.
- B. Installation of the electrical primary underground system shall not begin until the Customer meets the following conditions:
 - 1. All roadways shall conform to current Tacoma Power standards. Within the Tacoma city limits, all rights-of-way shall be cleared in accordance with standards of the City of Tacoma.
 - 2. Property surveys, including setting and maintaining of front lot corners, must be completed.
 - 3. Installation of all other underground facilities that are not to be included in a common trench with the electrical system (water, sewer, storm, etc.) must be completed.

9.1 Overhead-to-Underground Conversion by L.I.D.

- A. Converting existing overhead primary electrical Distribution systems to underground can be accomplished when technically and economically feasible. Pursuant to RCW 35, conversion can be financed by an L.I.D. Converting power lines above 15 kV is beyond the scope of this Policy.
- B. Parties in the City of Tacoma interested in initiating an L.I.D. to convert existing overhead Distribution lines to underground Distribution lines, should contact Tacoma Department of Public Works, Engineering Division, L.I.D.
- C. Tacoma Power may require a deposit to cover the actual expenses associated with initial engineering work. Any unused portions of the deposit will be applied toward the project cost if the L.I.D. is formed or returned to the parties if the proposed L.I.D. is not formed.
- D. Tacoma Power contributions to L.I.D. projects will be as follows:
 - 1. Residential L.I.D.s
 - a. Seventy percent of the total cost of converting the existing overhead primary electrical Distribution system to underground shall be provided by assessments against the property owners within the L.I.D. Assessments will be determined in accordance with all applicable Washington State laws.
 - b. Tacoma Power will provide 30 percent of the total cost of converting the existing overhead primary electrical Distribution system to underground.

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2. Commercial L.I.D.s – One hundred percent of the total cost of converting the existing overhead primary electrical Distribution system to underground shall be provided by assessments against the property owners within the L.I.D. Assessments will be determined in accordance with all applicable Washington State laws.
- E. Any charges made against the L.I.D. for undergrounding Secondary Services and data conduit, telephone, fire alarm, cable TV, and street lighting circuits will not be included when determining the amount to be paid by Tacoma Power.
- F. Converting Secondary Service on private property is not included in the L.I.D. The Customer must supply and install the secondary conductor and conduit from the meter to the Secondary Service box.

10.0 Prepaid Overhead-to-Underground Primary Line Conversion

With the prior approval of Tacoma Power, an overhead Distribution line may be converted to underground at the expense of the Customer. The Customer will be required to designate a representative for the project, collect all costs associated with converting the primary line from the project participants, and pay Tacoma Power in advance of any engineering and construction scheduling.

11.0 Mobile and Factory- Built Home Developments

The developer of a mobile home or factory-built home development will contact Tacoma Power's New Services Engineering Office for specifications, agreements, and applicable Tacoma Power requirements.

12.1 Commercial and Industrial Primary- Metered Service (12.5 Kv and 13.8Kv)

- A. Ownership of primary-metered Service: With the approval of Tacoma Power primary metered Service can be obtained as follows:
 1. Customer-owned equipment: The Customer shall furnish, install, own, and maintain primary equipment, including cables, simultaneous disconnect switch, transformer(s), and connection to the Load side of the metering current transformers, in accordance with the Electrical Code of the City of Tacoma, the NEC, and applicable city and State codes.
 2. Tacoma Power-owned equipment: Tacoma Power may consent to furnish, install, own, and/or maintain primary metered equipment, including cables, simultaneous disconnect switch, transformers, and all connections at the metering current transformers and power transformer(s), in accordance with Tacoma Power Standards and design criteria. Electric rates and charges will take into account Tacoma Power's additional cost incurred in this alternative.

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- B. Customers owning primary voltage equipment may be allowed to transfer ownership and/or control of some or all of the equipment to Tacoma Power to own, operate, and/or maintain. Upon request by the Customer, and on a case-by-case basis, Tacoma Power will review Customer-owned systems. Acceptance of ownership and/or control of such systems will be at Tacoma Power's sole discretion, and will depend upon the system and equipment meeting current Tacoma Power Standards and design criteria and a determination that other Customers will be economically unharmed by such action. After transferring ownership and/or control of primary voltage equipment to Tacoma Power, Customers would not be eligible for any applicable rate discount for ownership and maintenance of primary voltage equipment.
- C. Due to fire department safety concerns regarding two or more power sources to a building, Tacoma Power will not provide additional Service to any building served with a primary-metered Service. Multiple-metered Service may be provided to a site that has detached buildings or structures.

13.1 Meters

- A. All metering shall comply with Tacoma Power Standards. Customers should contact Tacoma Power's New Services Engineering and Electrical Inspection Offices for standards governing meter and metering transformer installations. The Electrical Inspection Office, in coordination with Tacoma Power's Meter/Relay Shop, will specify and approve meter installations in accordance with current Tacoma Power Standards, the NEC, and the Electrical Code of the City of Tacoma.
- B. All metering equipment provided by Tacoma Power to serve a Customer shall remain the property of Tacoma Power. All metering equipment furnished by the Customer (including enclosures, cabinets, conduits, and meter sockets) shall remain the property of the Customer. Tacoma Power's electrical Service and responsibility extend from Tacoma Power's system up to, but not beyond, the Service point as determined by New Services Engineering.
- C. For multiple-metered locations, meter sockets must be permanently and legibly marked and maintained with the permanent service address on the exterior so that it is visible in accordance with the NEC. The property owner is responsible for ensuring that meter socket markings accurately indicate the locations being billed.

If meter sockets are incorrectly marked so that a Customer is billed for another Customer's use (cross-billed), Tacoma Power will determine correct billing quantities for the cross-metered Customer. The property owner will be responsible for any insufficiency of electric revenue recovery from cross-metered Customers plus any reasonable investigation and collection costs incurred by Tacoma Power.

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Tacoma Power will notify the property owner of the least-cost method for cross-metered revenue recovery.

- D. When additions or alterations are made that require the relocation of a meter, the Customer will relocate the meter in accordance with current Tacoma Power Standards and the NEC at his or her expense. The Customer must obtain an electrical wiring permit from the Tacoma Power Electrical Inspection Office before starting the work.
- E. The meter location shall not be concealed by materials of any kind and must be readily accessible at all times. If the Customer blocks a clear path to the meter, or if the meter is subject to damage because of its location, the Customer may be required, at his or her expense, to provide a new and suitable meter location and make the necessary wiring changes.

13.2 Sub-Metering

- A. Each newly constructed or updated Dwelling Unit shall be independently metered by Tacoma Power per the Electrical Code of the City of Tacoma.

Additional non dwelling unit metering facilities may be installed on the Load side of the Customer's billing meter(s) at the Customer's expense under the following conditions:

- 1. There are no adverse impacts to Tacoma Power or other Customers.
 - 2. All materials, devices, appliances, and equipment not exempted in Chapter 19.28 RCW must be tested or field-evaluated by a testing laboratory accredited by the State Department of Labor and Industries. Installation of the equipment shall be in accordance with the NEC and Tacoma Power Standards.
 - 3. If Customer-owned metering is used to apportion the cost of power at the billing meter(s) between the Customer's tenants, only the cost of power at the billing meter(s) plus a nominal administrative fee may be collected solely for the recovery of the cost of power at the billing meter(s). The nominal administrative fee shall not exceed 10 percent of the monthly electric utility billing amount for each tenant, or \$5.00 per month, whichever is less. Revenue so collected from tenants by the Customer will not be considered in violation of TMC, Section 12.06.120, "Resale of Electric Energy Prohibited". Beyond enforcement of these restrictions, Tacoma Power has no role in investigating or resolving private Customer/tenant billing administration disputes.
- B. If a sub-metering site is found to be causing damage to Tacoma Power or its Customers, Service to the offending Customer may be suspended until corrective action is taken.

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13.3 Meter on Private Pole

- A. If New Services Engineering determines Underground Service is not practical, Tacoma Power Standards will allow a meter pole for Overhead Service to be installed not greater than 150 feet from the Tacoma Power pole.
- B. The property owner shall be responsible to permanently and legibly mark and maintain the permanent service address on the meter socket so that it is visible in accordance with the NEC.

13.4 Metering Transformer Minimum Rating Requirements

When a single Service is metered through current transformers, and the minimum Demand as determined by Tacoma Power during a 12-month period is less than 10 percent of the current transformer nameplate rating, the Customer may be required, at his or her own expense, to replace the existing current transformers with smaller current transformers provided by Tacoma Power. Such a change shall not be required if the Customer can show, to Tacoma Power's satisfaction, that the Load will always exceed the 10 percent minimum during the next 12 months. For Single-phase Services with a Load of 320 amperes or less, Tacoma Power may require that the Customer provide and install a socket for a self-contained meter.

13.5 Totalized and Interval Data Metering

Totalized metering is defined as the totaling of consumption measured on multiple meters by feeding the output of the individual meters into one master meter which totals the consumption.

Where a Customer has multiple Services feeding buildings and equipment at one site, Tacoma Power may provide totalized metering when requested. Technical specifications shall be developed and approved by Tacoma Power's New Services Engineering and Meter/Relay groups.

For totalized and/or commercial/industrial interval data metering, the customer will be required to pay in advance for all special metering equipment, communications infrastructure and connections for remote data collection, labor and materials for installation, and any additional ongoing maintenance costs.

13.6 Pulses

Upon request, Tacoma Power will provide Customers with pulses from the billing meter in accordance with current Tacoma Power Standards. The Customer's equipment for acquiring pulses will not be installed in the same enclosure with Tacoma Power's equipment. The Customer will be responsible for the security, protection and environmental needs of their equipment. The Customer shall reimburse Tacoma Power for all costs required to provide pulses.

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13.7 Meter Tampering and Power Diversion

Tacoma Power will require the Customer to pay costs incurred to investigate meter tampering, power diversion, or other improper action taken by the Customer or others. If Tacoma Power equipment is damaged as a result of meter tampering, power diversion, or other actions taken by the Customer or others, the Customer is presumed to be responsible for the damages, and unless there is clear evidence to the contrary, shall be held responsible for payment of all estimated power consumption and costs incurred to replace or repair the equipment as per RCW 80.28.240.

13.8 Customer-Requested Meter Test

Upon Customer request, Tacoma Power will test the billing meter one time at no charge. Tacoma Power will assess a charge for all additional tests requested within two years of an earlier request. If the meter is found to be more than two percent inaccurate, all charges assessed for the most recent test will be refunded.

14.1 Customer Owned Generation – Utility Interconnection

Customer owned generation is defined as generation owned and operated by the Customer that is connected directly to Tacoma Power's electrical system through Tacoma Power's metering.

- A. All emergency and legally required standby generation installations must comply with Chapter 7 of the NEC and must be inspected by Tacoma Power's Electrical Inspectors. New Services Engineering Office can be contacted for assistance.
- B. Customers may interconnect with Tacoma Power pursuant to Tacoma Power Standards and design requirements which must include approved Load transfer equipment. The facilities and operational requirements associated with interconnection to Tacoma Power's Transmission and Distribution system are governed by the following requirements:
 - 1. Tacoma Power's Technical Connection Requirements govern generators larger than 100 kW. Sales of electrical energy to Tacoma Power may be subject to successful negotiation of a contract with Tacoma Power subject to the approval of the contract by the Public Utility Board.
 - 2. Tacoma Power's Net Metering Requirements govern interconnection requirements that apply to any Customer-owned generation facility with a capacity less than 100 kW.

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- C. Small generators intended solely as a back-up power supply must have an Electrical Inspection Department approved protection switch or panel to prevent power from feeding into Tacoma Power's Distribution system.
- D. Connecting Customer owned generation to network systems is limited by the Institute of Electrical and Electronics Engineers (IEEE) 1547.6. Tacoma Power's Central Business District Engineering must pre-approve all installations in the downtown area and at area hospitals.

15.0 Public Agency Requested Inspections

Tacoma Power will require a property owner to pay all costs incurred for the inspection of electrical wiring of such owner's buildings or other structures when such inspection has been requested by applicable city, State and/or Federal authorities investigating suspected unlawful conditions or activity upon the owner's property and the inspection confirms electrical code violations. The cost assessed for the time spent inspecting, permit fees required to make repairs, and any penalty fees shall be assessed per TMC 2.04. Where Electrical Service has been disconnected, reconnection will require the purchase of a Tacoma Power electrical permit, upgrade of the installation in accordance with current Tacoma Power Standards, the Electrical Code of the City of Tacoma, the NEC, applicable city and State codes, and approval of all required inspections, completion of inspection hold requirements, and payment of required fees and charges.

16.0 Billing

A. Billing Policy:

Billing will occur as noted in the Customer Service Policy of Tacoma Public Utilities and TMC 12.06 (Electric Energy – Regulations and Rates).

Tacoma Power

CUSTOMER SERVICE POLICIES

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Definitions

For the purposes of these Policies, the words or phrases shall have the meaning set forth below:

Customer(s) – a person or entity legally responsible for payment of utility rates, charges, and fees pursuant to the TMC and/or applicable State law and includes, but is not necessarily limited to, any person or entity that uses or has contracted for electric Service from Tacoma Power and whether or not designated as a business partner in the business records of the Customer Services' Division.

Demand – the maximum average kilowatt power used by the Customer for a specific period of time during the billing period.

Distribution – that portion of an electrical system that delivers electric energy at less than 110 kV (nominal).

Dwelling Unit – a single unit, providing complete and independent living facilities for one or more persons, including permanent provisions for living, sleeping, cooking, and sanitation.

Electrical Code of the City of Tacoma – Chapter 2.04 of the Tacoma Municipal Code (TMC), entitled Electrical Code.

Electrical Services – electric power and energy available for use by the Customer.

Letter of Agreement – standard agreement executed primarily between developers and Tacoma Power outlining the responsibilities of each party, estimated costs, and the standards that electrical equipment and facilities must adhere to.

Load – any device that consumes power including, but not limited to motors, lights and/or heating equipment.

NEC – National Electrical Code as adopted per Chapter 2.04, TMC.

Policies – these Tacoma Power Customer Service Policies.

Primary Line Extension – extensions of Tacoma Power's Distribution system.

Public Utility Board – the Public Utility Board of the City of Tacoma.

Rate Schedules – Chapter 12.06 of the Tacoma Municipal Code (TMC) entitled Electric Energy – Rates and Regulations.

RCW – Revised Code of Washington

CUSTOMER SERVICE POLICIES

Definitions (continued)

Service – by NEC definition, the Service comprises the conductors and equipment for delivering electric energy from the serving utility to the wiring system of the premises served.

Secondary Service – Service with voltages less than 600 volts.

Primary Service – Service with voltages greater than 600 volts.

Single-phase Service – an alternating current supply system using one conductor. This type of service is usually used for residential Loads.

Three-phase Service – an alternating current supply system comprising three or more conductors. This type of Service usually feeds commercial and industrial Loads.

Overhead Service – conductors from Tacoma Power's pole to the connection point with the Customer's wires at the Service mast.

Underground Service – cables and conduits from Tacoma Power's pole, transformer, or Secondary Service box to the source side of the meter socket lugs.

Tacoma Power Standards – The City of Tacoma, Department of Public Utilities, Light Division's Transmission and Distribution Construction Standards, which authorize the design for engineering and construction.

Technical Connection Requirements – requirements that apply to any generation facility with a capacity exceeding 100 kW and end-use or wholesale Customers taking Service at Transmission voltage.

Temporary Service – a short-term electrical service designed to provide power for construction or other short-term use. Short-term for the purpose of Temporary Service is a period of less than one year.

TMC – Tacoma Municipal Code – The Municipal Code of the City of Tacoma.

Transmission – that portion of an electrical system that delivers electric energy at voltages greater than 52.5 kV. For purposes of this document, Transmission voltage is generally considered to be 110 kV (nominal).

Vault – a room or enclosure where switchgear, cables, transformers, and other devices are installed for an electrical system.

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I. INTRODUCTION

1.1 Customer Service Policies and Fees applicable to City provided utility services.

1.1.1 This Customer Services Policies document (hereafter "Policies") pertains to the operations of the Customer Service Division ("Customer Services" or "CS") in support of the City of Tacoma's Department of Public Utilities d/b/a Tacoma Public Utilities ("TPU") and the Environmental Services Department ("ES Department" or "ESD"). TPU provides electric energy and water services and the ES Department provides solid waste collection, wastewater and surface water services.

The Power, Water, and Rail Divisions of TPU, as well as the ES Department, maintain separate and additional customer service policies applicable to their own operations.

1.1.2 Fees associated with many of the Customer Services operations addressed in these Policies are established pursuant to authority set forth in the Tacoma Municipal Code ("TMC") including, but not limited to, Chapter 12.01, TMC.

1.1.3 Fee Schedule. RESERVED.

1.2 Definitions:

Unless otherwise defined in the Tacoma Municipal Code ("TMC" or "City Code"), the following terms shall have the definitions stated.

The term "**Customer**" as used in these Policies refers to a person or entity legally responsible for payment of utility rates, charges, and fees pursuant to the TMC and/or applicable State law and includes, but is not necessarily limited to, a person or entity that is designated in Customer Services' records as a business partner.

The term "**Hold**" as used in these Policies refers to a restriction or restraint on utility service and may prevent activation of service. A Hold may be placed on a utility service account or a service premises due to, but not limited to, outstanding utility service debt owed to the City, safety reasons, or a violation of TMC, State or other local laws, and/or policies adopted by TPU or the City.

The term "**service premises**" as used in these Policies refers to any real property, structure, building or dwelling unit(s) to which utility service is provided by TPU and/or the ES Department.

Customer Services Policies

The term “**satisfactory payment history**” as used in these Policies refers to the number of credit points assigned to the applicant or Customer by Customer Services based on late or returned payments for utility services, credit related service disconnection, default of an Approved Payment Agreement, or other negative credit or irregular circumstances. An applicant or Customer with six (6) or less credit points in the most recent twelve (12) month period will be deemed to have a satisfactory payment history unless other negative credit or irregular circumstances exist.

The term “**statutory utility lien**” as used in these Policies refers to a lien or other rights granted to utility providers under Washington State lien laws including, but not limited to, RCW 35.21.290, 35.21.300, 35.67.200, 35.67.290, and/or Chapter 60.80. Such lien and rights are enforceable by TPU and/or the ES Department against the service premises at which the service debt was incurred regardless of whom may have incurred such debt.

“**Approved Payment Agreement**” as used in these Policies means a contractually binding agreement specifying the amount(s) and date(s) of payment of an outstanding utility service account debt. The terms and conditions of a such agreement may be negotiated by Customer Services, TPU, the ES Department, or an authorized collection agency, but must be approved by authorized Customer Services staff pursuant to standard operating procedures. The required amount(s) and date(s) of payment under an Approved Payment Agreements must be documented by Customer Services and made available for review by the account debtor upon request.

1.3 Unauthorized Connection, Reconnection, and/or Use of Utility Services.

Unless authorized or permitted under these Policies or applicable City Code, any connection, reconnection, and/or use of utility services shall be deemed to be unauthorized and subject to recourse by the City. Such recourse may include, but is not limited to, immediate disconnection of service, recovery of all costs and damages incurred, and such other civil remedies or criminal sanctions as may be available at law or in equity.

1.4 Additional Information.

Further information regarding the application of these Policies can be found in the Customer Services Procedures document.

II. APPLICATION FOR SERVICE

2.1 Introduction

All requests for utility service will be met whenever possible in accordance with State law and the laws and policies of the City of Tacoma. Each request will be deemed to be an application for utility service whereby the applicant agrees to be bound by the provisions of the Tacoma Municipal Code ("TMC")¹, these Policies, and the respective service policies of Tacoma Power, Tacoma Water, and the ES Department, in effect at the time of application or as thereafter amended. Upon application approval by Customer Services, such provisions shall establish the contractual rights and obligations of the Customer and the City.

An application for electricity, water, solid waste collection, wastewater and/or surface water utility services may be made to Customer Services via telephone, mail, fax, electronic medium, or in person at the Public Utilities Administration Building or other designated locations.

Customer Services, on behalf of TPU or the ES Department, may deny new utility service(s) to any applicant or existing Customer that has unpaid utility service debt in collection status.

2.2 Policies

2.2.1 Applicable utility service rate schedules, charges, and other fees for new and existing Customers will be determined in accordance with Chapters 12.01, 12.06, 12.08, 12.09 and /or 12.10, TMC and/or other City ordinances.

2.2.2 All applicants for utility service are required to provide accurate and verifiable information as to the true identity of each individual who will be financially responsible for the service.

2.2.2.1 Applications for utility accounts or service may be denied if inaccurate or fraudulent information is provided by the applicant.

2.2.2.2 Utility service to an existing Customer may be terminated if fraudulent or inaccurate information was provided to establish such service.²

¹ Including, but not limited to, Chapters 12.01, 12.06, 12.08, 12.09, and 12.10, TMC

² Additional recourse may be pursued under State law and/or City ordinance to recover costs associated with these actions.

Customer Services Policies

- 2.2.3 The owner of a service premises, and/or its agent, may apply for a utility account or service to such premises on behalf of a tenant. Customer Services may require a copy of a lease or rental agreement to verify tenancy at such premises.
 - 2.2.3.1 Applications by an owner and/or its agent on behalf of a tenant may not be accepted, nor may utility service be provided, if fraud or deception by the owner and/or the tenant has been perpetrated against Customer Services. Customer Services Management will make such determinations, in consultation with the City Attorney's Office, on a case by case basis.
- 2.2.4 Applications for utility accounts and/or services may be denied or provision of services reasonably conditioned as follows:
 - 2.2.4.1 Application for an account and/or services may be denied when the service premises to be served is subject to a statutory utility lien.
 - 2.2.4.2 As a condition of service, and prior to reconnection of service, full payment of all statutory utility lien charges against the residential or commercial service premises to be served is required. Customer Services may provide interim service based on an alternative form of guarantee or agreement to ensure statutory utility lien charges are satisfied. See Section 2.2.5 of this Chapter for further details.
 - 2.2.4.3 Application for an account and/or service may be denied based on a Hold placed on the service premises to be served. As a condition of service, all such Holds must be satisfactorily resolved.
 - 2.2.4.4 Application for an account and/or service may be denied when the applicant owes outstanding balances for utility account(s) in collection, regardless of the service premises where the applicant incurred the delinquent charges. As a condition of service, full payment for such outstanding balances is required.
 - 2.2.4.5 Application for an account and/or service may be denied based on any delinquent utility charges previously incurred by the applicant or Customer, regardless of the service premises where such delinquent charges were incurred. As a condition of service, the Customer may be required to make full payment or enter into an Approved Payment Agreement for such delinquent balances.

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- 2.2.4.6 Application for an account and/or service may be denied if the service premises to be served is subject to outstanding debt including, but not limited to, conservation loan default, unpaid permit fees, or delinquent surcharges. As a condition of service, full payment or an Approved Payment Agreement for such outstanding balances may be required.
- 2.2.4.7 Application for an account and/or service may be denied based on unauthorized connection, reconnection, and/or use of utility services at the service premises to be served. As a condition of service, full payment of all outstanding damages or fees resulting from electric or water diversion, or from equipment tampering, shall be required by the responsible Customer or service premises owner.
- 2.2.4.8 Application for an account and/or service with delinquent utility charges, or outstanding utility collection balances, may be accepted based on a pledge (promise to pay) from an authorized Public, Tribal, Federal, and/or State agency. This exception to subsections 2.2.4.4 and 2.2.4.5 of this Chapter will only be considered for applicants residing at a service premises where services were disconnected for non-payment and remained off for more than 10 days but no more than 60 days. Further guidance regarding this exception are found in the Customer Service Procedures.
- 2.2.5 An Interim Service Request Agreement may be utilized for restoring service on a temporary basis. Approval of such Agreement, at Customer Services' sole discretion, must be by Customer Services Representative Lead level or higher. Such an Agreement does not waive statutory utility lien or other rights held by TPU or the ES Department. Such Agreement may be used to allow service for home inspection, electrical inspections, property sale, or other similar needs at the discretion of Customer Services.
- 2.2.6 Electric and/or water service may be connected without the presence of the Customer. The service may be connected either manually by a TPU employee on site or by remote means as available. The Customer assumes all risk³.
- 2.2.7 A service establishment fee will be imposed in accordance with TMC 12.01.010 when a new account is established for a single service or combination of services (electric, water, solid waste, wastewater, and/or surface water).

³ See TMC 12.06.150 and 12.10.115

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- 2.2.8 If the owner of a service premises initiates an Owner Allocation agreement, the electric, water, or other related services to such premises may be continued between tenant occupancies. When such agreement has been made, and complied with, the service establishment fee due upon each new tenancy will be collected from the tenant and waived for the owner.
- 2.2.8.1 The owner and/or its agent is responsible for providing Customer Services with actual change of tenant occupancy dates before they occur and must do so as a condition of any waiver of service establishment fees.
- 2.2.8.2 Failure of owner and/or its agent to notify Customer Services of occupancy changes before they occur may result in revocation of the Owner Allocation agreement and/or the assessment of the service establishment fee upon the owner.
- 2.2.8.3 The Owner Allocation agreement shall indicate the specific services (electric, water, solid waste, wastewater, and/or surface water) for each service address premise. Use of services not included in the Owner Allocation agreement will be charged a service establishment fee.
- 2.2.8.4 Notwithstanding compliance with an Owner Allocation agreement, electric, water or other related services may be disconnected for non-payment of utility service bill(s).
- 2.2.9 An account for utility service(s) provided to multiple units or a common area at a single service premises must be established and remain in the name of the service premises owner, the owner's authorized management company, or the homeowners association served by such account, as the case may be.
- 2.2.10 If unauthorized electric or water service connection, reconnection, and/or use of utility services is discovered, Customer Services and/or TPU may disconnect such service from the utility system. Any service(s) disconnected under these circumstances shall not be reconnected until (i) all charges, including cost of investigation and damages, and other applicable fees are paid in full, and (ii) Holds removed and/or any additional requirements have been satisfied.
- 2.2.10.1 Damages shall include, but not be limited to, the value of electric or water service used without authorization. In the absence of evidence to the contrary, such value will be calculated by Customer Services based on an estimate of consumption (i) from the time the Customer's service

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account was opened until the date unauthorized connection, reconnection, and/or use of utility services was discovered, and (ii) in a quantity comparable to historic service use at the service premises.

- 2.2.11 Uniform procedures for the administration of this Chapter are found in the Customer Services Procedures document. Such Procedures include additional guidance concerning: (i) application for service, (ii) change of service, and (iii) the designation and responsibilities of Customers (as Account Holders legally liable for account charges) and Customer agents or representatives (as Authorized Agents entitled to receive account information and make limited account transactions).

III. DEPOSITS

3.1 Introduction

- 3.1.1 Prior to establishing a new account or furnishing utility services, security to guarantee payment for services is required. Upon request for electrical, water, and/or commercial solid waste service, applicants and existing Customers are required to pay a cash deposit or security⁴, unless waived by Customer Services. Deposits or security shall be in accordance with the provisions set forth below in Section 3.2 (residential service), Section 3.3 (commercial service), and Section 3.4 (adequate assurances in bankruptcy). These provisions are subject to change based on changes in State law or City Code.

3.2 Residential Deposit Policies

- 3.2.1 A security deposit in the following amounts⁵ shall be required for all new applications for a residential utility account and service, unless waived pursuant to these Policies:
- 3.2.1.1 Electric security deposits are based on the type of residence:
- | | |
|-----------------------------------|-------------------|
| Residential housing up to 4 units | \$200.00 per unit |
| Apartments 5 units or above | \$100.00 per unit |
- 3.2.1.2 Water security deposit will be \$75.00
- 3.2.1.3 Solid Waste security deposit will be \$0.00
- 3.2.1.4 Wastewater security deposit will be \$0.00
- 3.2.2 Security deposits may be required from existing Customers, owners, and tenants that do not have a satisfactory payment history including, but not limited to:
- 3.2.2.1 Two (2) or more return payments not honored by a financial institution in a twelve (12) month period.
- 3.2.2.2 Service disconnection for unpaid charges two (2) or more times in a twelve (12) month period.
- 3.2.2.3 If the security deposit was waived because inaccurate information was provided.

⁴ See Revised Code of Washington (RCW) 35.21.217(1) and TMC 12.06.100 and 12.10.050

⁵ Subject to City Code, as the same may hereafter be amended

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- 3.2.2.4 If a security deposit was previously waived based on a payment or deposit guarantee instrument that has been breached or is no longer in effect.
 - 3.2.2.5 Other irregular payment or credit activities that result in administrative costs or burdens to the City.
- 3.2.3 Security deposits may be waived if one or more of the following criteria is met at or within thirty (30) days from service establishment date:
 - 3.2.3.1 Title owner of the service premises.
 - 3.2.3.2 Purchaser of service premises pursuant to a recorded Real Estate Contract.
 - 3.2.3.3 An applicant or customer renting, leasing, or leasing with an option to purchase the service premises and one of the following is satisfied:
 - A. Has established satisfactory payment history with Customer Services.
 - B. Provides a satisfactory history of credit from another electric, water, or natural gas utility for a minimum of twelve (12) months within the past two (2) years.
 - C. Customer Services may verify satisfactory credit history through its third party credit bureau vendor.
 - D. A signed payment guarantee instrument is on record with Customer Services, pursuant to which the owner of the service premises is liable for unpaid charges including, but not limited to, the security deposit.
 - E. The security deposit for electrical service will be waived if the Customer agrees to enroll in the Tacoma Power pre-payment service when advanced meter infrastructure is available and installed at the service premises.
- 3.2.4 When a security deposit is required under these Policies, a letter requesting the deposit will be sent to the Customer. Security deposits are due within thirty (30) days of the service establishment date; Provided, that in cases of returning applicants seeking service at the same service premises, such deposits will be due sooner as determined by Customer Services.
 - 3.2.4.1 Credit action may begin if any required security deposit has not been paid or an Approved Payment Agreement has not been established in the allowable time period.

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- 3.2.4.2 If service is disconnected because of non-payment of a security deposit, lack of an Approved Payment Agreement, or failure to make payment pursuant to such Approved Payment Agreement, the service may not be reconnected until full payment of the security deposit and all outstanding charges are paid.
- 3.2.5 The security deposit will be held, without interest, for a minimum of twelve (12) consecutive months of satisfactory payment history from the date the security deposit was paid in full. Customer Services will continue to hold the security deposit for a longer period, as determined by Customer Services, if satisfactory payment history is not maintained by the Customer.
- 3.2.6 The security deposit will be refunded after deduction of any accrued or outstanding charges and fees -- which may be estimated by Customer Services -- at such time as the Customer notifies Customer Services to close the account and terminate service.
 - 3.2.6.1 Upon account closure Customer Services will first apportion and apply deposit funds to the utility service for which such funds were collected to the earliest incurred charges. Any remaining security deposit will be applied to other outstanding utility charges.
 - 3.2.6.2 When a Customer moves from one service premises to another within TPU's service area, deposits may be applied to the closing invoice(s) or other TPU accounts associated with the Customer.
- 3.2.7 Customer Services may apply all or any part of a security deposit held upon the Customer's default in payment of utility charges and may require additional deposit amounts or a change in the type of security based on a change in a Customer's service status.

3.3 Commercial Deposit Policies

- 3.3.1 Security deposits in the following amounts are required of all new applications for a commercial utility account and service, unless waived pursuant to these policies:
 - 3.3.1.1 The electric deposit is an amount equivalent to, but not less than, the highest two (2) months' charges for the service premises in the prior twenty-four (24) months.
 - 3.3.1.2 The water deposit is the amount equivalent to, but not less than, the highest two (2) months' charges for the service premises in the prior twenty-four (24) months.

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- 3.3.1.3 A security deposit may be calculated if there is no history at a new service premises or a change of business. The calculation may be based on an estimate of a similar business usage, or following two or more invoices for the Customer at the new service premises, at the discretion of Customer Services.
 - 3.3.1.4 The solid waste deposit is four times the monthly rate.
- 3.3.2 Security deposits may be requested from existing Customers, owners, or tenants when the Customer, owner or tenant do not have a satisfactory payment history including, but not limited to:
 - 3.3.2.1 Two (2) or more returned payments by a financial institution in a twelve (12) month period.
 - 3.3.2.2 Service disconnection for lack of payment two (2) or more times in a twelve (12) month period.
 - 3.3.2.3 If the deposit was waived because of inaccurate information provided.
 - 3.3.2.4 If a security deposit was previously waived based on a payment or deposit guarantee instrument that has been breached or is no longer in effect.
 - 3.3.2.5 Other irregular payment or credit activities that result in administrative costs or burdens to the City.
- 3.3.3 Security deposits may be waived if one or more of the following criteria is met at or within thirty (30) days from the service establishment date:
 - 3.3.3.1 Title owner of the service premises.
 - 3.3.3.2 Purchasing of service premises pursuant to a recorded Real Estate Contract.
 - 3.3.3.3 An applicant or Customer renting, leasing, or leasing with an option to purchase the service premises and one of the following is satisfied:
 - A. Has established a satisfactory payment history with Customer Services.
 - B. Provides a satisfactory history of commercial credit from another electric, water, or natural gas utility for a minimum of eighteen (18) months within the past two (2) years.

- C. Customer Services may verify satisfactory credit history through its third party credit bureau vendor.
- D. A signed payment guarantee instrument is on record with Customer Services, pursuant to which the owner of the service premises is liable for any unpaid charges.
- E. A signed promissory note or other legally sufficient letter of credit or other fiduciary documentation is accepted by, and is on record with, Customer Services.

3.3.4 When a security deposit is required under these Policies, a letter requesting the deposit will be sent to the Customer. Security deposits are due within thirty (30) days of the written notification date; provided, that in cases of returning applicants seeking service at the same service premises, such deposits will be due sooner as determined by Customer Services.

3.3.4.1 Credit action may begin if any required deposit has not been paid or an Approved Payment Agreement has not been established in the allowable time period.

3.3.4.2 If service is disconnected because of non-payment of a security deposit, lack of an Approved Payment Agreement, or failure to make payment pursuant to such Approved Payment Agreement, the service may not be reconnected until full payment of the security deposit agreements and all outstanding charges are paid.

3.3.4.3 The security deposit will be held, without interest, for a minimum of twelve (12) consecutive months of satisfactory payment history from the date the security deposit was paid in full. Customer Services will continue to hold the security deposit for a longer period, as determined by Customer Services, if satisfactory payment history is not maintained by the Customer.

3.3.4.4 Upon written request by a Customer, Customer Services will review the Customer's deposit status to determine whether the Customer's security deposit should (i) continue to be held, or (ii) applied to the Customer's open utility account(s) conditioned upon substitute security provided by the Customer in the form of a signed payment guarantee instrument, promissory note, or letter of credit. The Customer may request such review at any time following account establishment, but not more frequently than once every twelve (12) months. The determination to change deposit status shall be made in the sole discretion of

Customer Services based on the business risk involved and the best interests of TPU. Any determination that changes the Customer's deposit status must be approved by the Customer Services Manager. If a security deposit is applied to the Customer's account, Customer Services may require a new security deposit be made at any time due to the Customer's subsequent failure to maintain a satisfactory payment history.

- 3.3.5 The security deposit will be refunded after deduction of any accrued or outstanding charges and fees -- which may be estimated by Customer Services -- at such time as the Customer notifies Customer Services to close the account and terminate service, or as otherwise determined pursuant to Section 3.3.4.4 above.

3.3.5.1 Upon account closure Customer Services will first apportion and apply deposit funds to the utility service for which such funds were collected to the earliest incurred charges. Any remaining security deposit will be applied to other outstanding utility charges.

3.3.5.2 When a Customer moves from one service premises to another within TPU's service area, deposits may be applied to the closing invoice(s) or other TPU accounts associated with the Customer.

- 3.3.6 Customer Services may apply all or any part of a security deposit held upon the Customer's default in payment of utility charges and may require additional deposit amounts or a change in the type of security based on a change in a Customer's service status.

3.4 Adequate Assurance For Post-Bankruptcy Service

3.4.1 Residential Customers. Except as otherwise provided under federal bankruptcy law⁶, a residential Customer is required to provide an adequate assurance of payment for future service within twenty (20) days of filing a petition for bankruptcy. If TPU is notified of such petition or is listed as a creditor, an adequate assurance deposit must be provided within twenty (20) days of such notice or a written request for such deposit by Customer Services.

3.4.2 Commercial Customers. Except as otherwise provided under federal bankruptcy law⁷, a commercial Customer is required to provide an adequate assurance of payment for future service within twenty (20) days of filing a petition for bankruptcy or within twenty (20) days of

⁶ See 11 U.S.C. §366

⁷ See 11 U.S.C. §366(c)(2), as the same may hereafter be amended.

written request by Customer Services, if any of the following conditions exist:

- 3.4.2.1 The Customer has seven (7) or more credit points, indicating a less than acceptable payment history for utility service. Customer Services may, at its discretion, consult with the City Attorney's Office on a case-by-case basis for Customers having seven (7) or more credit points to determine cost-effectiveness of pursuing adequate assurance and/or objecting to debtor motions to limit or avoid post-petition utility service deposits.
- 3.4.2.2 Customer Services determines, in its sole discretion, that the Customer's prior payment history or any other circumstances demonstrate an unacceptable risk of non-payment of future utility service.
- 3.4.3 An adequate assurance of payment required under these Policies is in addition to any previous security deposit paid to or held by Customer Services. Per 11 U.S.C. § 366(c)(4), Customer Services may apply such security deposit to any pre-petition debt owed without notice.
- 3.4.4 Adequate assurance of payment will be in the form of a deposit or other form of security satisfactory to Customer Services and will be in the amount equivalent to, but not less than, the two (2) highest months of charges for the service premises over the past twelve (12) month period.
- 3.4.5 Failure to timely provide adequate assurances satisfactory to Customer Services shall, in Customer Services' sole discretion, result in termination of further utility service.
 - 3.4.5.1 If service is disconnected due to non-payment of the required adequate assurance, the service may not be reconnected until full payment of such adequate assurance and all outstanding post-petition service charges and fees are paid.
- 3.4.6 Except as otherwise ordered by the bankruptcy Court, the adequate assurance deposit, or credited security, may be applied to the account after three (3) years, provided that the Customer has maintained good credit during the past twelve (12) consecutive months.

IV. INVOICES FOR SERVICE

4.1 Introduction

- 4.1.1 Customer Services will invoice Customers for utility services. Billing options are available to Customers. Customers with questions regarding their billing invoices may contact Customer Service for assistance.
- 4.1.2 All charges for utility services provided by the City shall be the personal obligation of the Customer and/or the person(s) that applied or signed for or that received such service. Additionally, the City shall have all lien rights granted by State laws against the service premises where such service charges were incurred. Except as limited by State law, the Director of Utilities, shall have the absolute authority to refuse to furnish service to, to discontinue service to, or to refuse to resume service to any applicant or Customer on account of the failure to pay delinquent utility invoices owing the City by such applicant or Customer, whether such invoice covers charges for service at the premises sought to be served or elsewhere.⁸

4.2 Policies

- 4.2.1 Meter Reading. Electric and water meters are read either monthly, bimonthly or at otherwise determined intervals for invoice and billing purposes.
 - 4.2.1.1 Meter reading schedules are available to all Customers.
 - 4.2.1.2 If an actual meter reading cannot be obtained by Customer Services or TPU because of limited access, severe weather, major disaster or by other cause beyond the City's reasonable control, the meter reading will be estimated. The Customer's invoice will note that the meter reading is estimated.
 - 4.2.1.3 Estimated meter readings will be generated as part of the invoice process for bimonthly accounts with Budget Billing.
 - 4.2.1.4 When approved by Customer Services, at its sole discretion, the Customer may provide meter readings to Customer Services. In such cases, Customer Services will verify the meter reading(s) to determine if such reading(s) fall within the expected ranges.

⁸ See TMC 12.06.110 and 12.10.130.

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- 4.2.1.5 Any meter readings that fall outside expected ranges may be reviewed by Customer Services and or TPU during the billing process prior to creating a customer invoice.
- 4.2.1.6 A Customer may be required to pay additional fee(s) when billing reconciliation action is required due to restricted access.⁹
- 4.2.2 Customer Invoicing. Customer invoices will be prepared and issued by Customer Services. Invoices are deemed issued upon one or more of the following:
 - 4.2.2.1 Mailed; and/or
 - 4.2.2.2 Electronically made available by Customer Services for Customer review based upon a documented Customer request.
- 4.2.3 An invoice will be issued to the Customer for each utility account. As determined by Customer Services, the invoice will include all utility services provided under the account.
- 4.2.4 Unless otherwise specified in City Code, the invoice shall be due and payable within fifteen (15) days from the date the invoice is issued by Customer Services.
 - 4.2.4.1 Alternate invoice due dates may be available at the Customer's request.
- 4.2.5 Pursuant to RCW 35.21.217, upon written request by a residential service premises owner or owner's agent, notice of a residential tenant's delinquency will be provided to such owner or owner's agent.
- 4.2.6 Customer invoices may reflect the following transferred balances:
 - 4.2.6.1 Unpaid delinquent charges on a closed utility account, for which the Customer is financially responsible per the provisions in Chapters 12.06, 12.08, 12.09, and 12.10, TMC¹⁰
 - 4.2.6.2 Unpaid balance(s) for utility service provided to the Customer at a prior service premises.
 - 4.2.6.3 Other lawfully assessed charges including, but not limited to, returned payment(s), delinquent conservation loan balances, non-returned equipment, equipment tampering, and costs or

⁹ See TMC 12.01.010 and/or Customer Services Procedures

¹⁰ For example see section 12.06.110C and Section 12.10.130

damages resulting from unauthorized connection, reconnection, and/or use of utility services.

- 4.2.6.4 Credit balances from closed utility accounts and other utility account management activities.
- 4.2.7 Invoices may reflect a credit based on a discount residential rate. The discount residential rate is available for Customers who meet established income and age or disability requirements as provided by City ordinance.¹¹
- 4.2.8 Monthly invoicing is available for residential Customers enrolled in budget billing.
- 4.2.9 Disclosure of billing records. Customer Services may provide copies of a Customer's billing and invoice records to a third party upon the Customer's written request or consent. Such consensual disclosure requests shall not be processed as a public records request.
 - 4.2.9.1 The owner of a service premises or their agent may, upon request, be provided a copy of tenant invoice(s) as necessary for such owner to confirm and pay all outstanding and lawfully assessed utility service charges and fees including, but not limited to, statutory utility lien charges.
 - 4.2.9.2 A Customer's Authorized Agent¹² may request and be provided such Customers' account documentation and information.
 - 4.2.9.3 Other requests for utility account balances.
 - A. Upon request by a closing agent pursuant to Chapter 60.80, RCW, Customer Services will provide estimated or actual final account balances. Per RCW 60.80.005(1), such balances will include all lawfully assessed charges and amounts owed on the account.
 - B. Upon request by a person or entity that has demonstrated a legal interest in or authority over a service premises, Customer Services will identify the account balance(s) owed with respect to such service premises. Upon request, Customer Services may provide statutory utility lien balance(s) in the form of an Itemized Statutory Utility Lien Statement.

¹¹ See TMC 12.06.165, 12.08.360, 12.09.090, and 12.10.400 as the same may hereafter be amended.

¹² As defined in, and pursuant to, the Customer Services' Account Association procedures set forth in the Customer Services Procedures document.

- 4.2.9.4 Policies governing account information related to third party payments are set forth in Chapter V (Utility Payments).
- 4.2.10 Utility billing errors resulting in retroactive adjustments for under-billing shall be limited to a maximum of three years. Utility accounts that have been over-billed will be refunded the full amount of the over-billing up to a maximum of three years, or up to a maximum of six years for accounts with a written contract.

4.2.11 Customer invoices may reflect the following prorated fixed charges:

- 4.2.11.1 The Tacoma Water monthly hydrant service fee and the ready to serve charge, as set forth in TMC 12.10.400, may be prorated when service is furnished for any portion of a billing period.
- 4.2.11.2 Tacoma Power customer charges, as set forth in TMC 12.06, may be prorated when service is furnished for any portion of a billing period.

V. UTILITY PAYMENTS

5.1 Introduction

- 5.1.1 Subject to the conditions specified in these Policies, a variety of payment options and methods are available for Customers to conveniently pay their utility service bills. Payment options and methods may be restricted due to, but not limited to, returned payment(s).
- 5.1.2 Monies received in payment of utility service bills will be applied to the Customer's utility account(s) by Customer Services according to the Policies set forth in this Chapter.

5.2 Policies

- 5.2.1 Payment options and methods. Payments will be accepted via US mail, the official TPU website, telephone, pay stations (kiosks), and in person at the TPU Administration building. Payments may also be accepted pursuant to Approved Payment Agreement.
 - 5.2.1.1 Customer Services is authorized to accept a variety of payment methods for customer's convenience. Methods may include, but are not limited to Budget Billing, Automatic Payment, and pre-payment.
 - 5.2.1.2 Customer Services is authorized to take or accept a variety of payment tenders for Customer convenience. Tender types may include, but are not limited to, personal checks, cash, credit card, and other bank-approved methods.
 - 5.2.1.3 Customer Services may accept payment from third parties¹³. To facilitate payment, Customer Services is authorized to provide the amount currently due on an account to the third party provided the third party submits sufficient information as specified in the Customer Services Procedures. No other account information shall be provided without Account Holder consent.
 - 5.2.1.4 Customers who need to make payment arrangements are encouraged to contact Customer Services and request an Approved Payment Agreement before their bill(s) become past due. See Chapter VI, Section 6.2.3, for policies and criteria applicable to Approved Payment Agreements.

¹³ A third party is not an Account Holder or Authorized Agent associated with the utility account to be paid.

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- 5.2.1.5 Customer Services reserves the right to restrict payment options and methods based on, but not limited to, returned payment, irregular payment, or credit activity that result in administrative costs or burdens to the City.
- 5.2.2 Application of payments. All payments, including partial payments, will be prorated on total services and applied to the oldest charges first unless otherwise designated by the Customer at the time of payment and subject to the following:
 - 5.2.2.1 If a Customer with two or more utility services designates a payment to pay the balance owed for one service, said designation will be accepted only if the other services are not past due.
 - 5.2.2.2 Payment designated for Tacoma Power pre-payment may be exclusive to the pre-payment electric contract account.
 - 5.2.2.3 Payment for a required security deposit will be processed pursuant to Chapter III.
 - 5.2.2.4 Customer Services will actively cooperate with authorized assistance agencies in the processing of utility payments. Authorized payments from federal, local, utility and private assistance programs will be applied to the designated utility service.
 - A. Payments from authorized assistance agencies may only be applied to the account under which the assistance was granted. These payments may not be applied to accounts in collection without the Customer's permission.
 - 5.2.2.5 Customer Services will apply payments on lienable charges according to Washington State utility lien laws (including, but not limited to, RCW 35.21.290, 35.21.300, 35.67.200, 35.67.290 and/or Chapter 60.80, RCW).
- 5.2.3 Overpayments or credits on open utility accounts will remain on the account and be applied to the next utility invoice.
- 5.2.4 Credit balances resulting upon closing of utility account. Unless otherwise requested in writing by the Customer, credit balances resulting from the closing of the Customer's utility account will be processed as follows:
 - 5.2.4.1 Single utility account. If the closed account is the Customer's only account, any credit balance will be refunded to the Customer.

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- 5.2.4.2 Multiple utility accounts. If the Customer has one or more other open utility accounts, any credit balance from a closed account may be transferred to one or more of those open accounts in lieu of issuing a refund.
- 5.2.4.3 Credit balances resulting from payment by escrow must be refunded per RCW Chapter 60.80.
- 5.2.5.4 Transfers of credit balances resulting from closed utility accounts may only be transferred to other non-utility City accounts at the Customer's request.

VI. CREDIT AND COLLECTION

6.1 Introduction

- 6.1.1 The following Policies pertain to utility account credit considerations and the requirements for collection of debt for electric, water, solid waste, wastewater and/or surface water service charges owing or that may become owing on utility accounts. Additional policies and criteria applicable to extension of credit for new or continued utility service are found in Chapter II (Application for Service) and Chapter III (Deposits).
- 6.1.2 As a general statement of policy, all Customers and applicants for utility service shall receive uniform consideration in credit and collection matters.

6.2 Policies

- 6.2.1 Duty to pay for utility services. Customers are required to pay for utility services provided to them and to pay utility invoices when due.
- 6.2.2 The following fees and charges may be assessed by Customer Services based on non-payment of utility services provided by the City:
 - 6.2.2.1 Late payment fees will be assessed in accordance with TMC 12.01.030 if an invoice for utility service is not paid when due. Payment of such fees will be a condition of continued or new utility service.
 - 6.2.2.2 Fees for returned payment(s) from financial institutions will be assessed in accordance with TMC 1.36.010, TMC 12.01.010 and/or TMC 12.01.020. Payment of such fees will be a condition of continued or new utility service.
 - 6.2.2.3 All other collection activity fees as may be authorized by current ordinances.
- 6.2.3 Upon request by a Customer, an Approved Payment Agreement may be available to ensure payment of delinquent account debt and as a condition of new or continued utility service.
 - 6.2.3.1 Customer Services will take into consideration the following criteria in evaluating a Customer request for an Approved Payment Agreement:
 - A. Whether a Customer has a satisfactory payment history
 - B. Customer's previous unauthorized connection, reconnection, and/or use of utility service

- C. Customer's past fraud or illegal activity
 - D. Years of service
 - E. Customer's ownership of service premise
 - F. Age of the charges owed
- 6.2.3.2 Electric and water service may be disconnected and/or other utility services withheld if the Customer fails to establish or pay an Approved Payment Agreement. Services shall not be reconnected until all delinquent charges and fees are paid in full and/or an Approved Payment Agreement is established for all amounts due.
- 6.2.4 Customer Services may pursue recovery of any unpaid charges and/or fees on a closed utility account including, but not limited to, referral to a collection agency.
- 6.2.4.1 Collection agencies may, pursuant to applicable law, impose additional charges for the collection of unpaid accounts referred by Customer Services. Payment of such additional charges will be a condition of new or continued utility service.
- 6.2.4.2 A Customer with an account in collection has the responsibility to contact and work with the collection agency as necessary to resolve the collection account debt.
- 6.2.5 Customer Services may refuse or terminate utility service based on non-payment and/or any of the following circumstances:
- 6.2.5.1 Outstanding statutory utility lien against the service premises.
- A. Customer Services is authorized to enforce any and all Washington State utility lien laws, which are applicable to municipally owned utilities. These laws include, but are not limited to, the right to collect up to four (4) months' charges on electricity and water and six (6) months charges on wastewater and surface water service.
 - B. Customer Services will enforce a statutory utility lien against the owner of the service premises for fraudulent or illegal activities perpetrated by, or with knowledge of, that property owner.
- 6.2.5.2 Unauthorized connection, reconnection, and/or use of utility services.

- A. Customer Services shall pursue recourse under State statutes and/or City ordinances for recovery in cases of unauthorized connection, reconnection, and/or use of utility service or equipment tampering. Recourse may include, but is not limited to, the following:
 - i. If an electric or water service has been disconnected and is reconnected without authority, Customer Service shall disconnect the service. Service may not be reconnected until all charges and costs associated with the diversion are paid in full including, but not limited to, value of power or water diverted, costs of investigation, and collection fees.
 - ii. Customer Service shall assess fees in accordance with TMC Title 12 governing equipment tampering or damage.
- 6.2.5.3 Outstanding Hold. A Hold prevents activation of service requests due to, but not limited to, outstanding utility debts, service premises infrastructure code violations, safety concerns, or illegal activities. Service may not be provided until all Holds have been released.
- 6.2.5.4 Electric service may be terminated pursuant to TMC 12.06.115 if a Customer defaults on an energy conservation loan agreement.
- 6.2.5.5 Failure to pay utility service surcharges adopted by ordinance.
- 6.2.5.6 Customer Services may require any payment due under this Section 2.5 to be in the form of cash, money order, or certified check.
- 6.2.6 Billing disputes. Customers who choose to dispute their utility service bills must promptly exercise their right to do so in compliance with the bill dispute process set forth below. A Customer's failure to comply with the applicable bill dispute process shall be deemed to have waived the right to dispute their bill.
 - 6.2.6.1 For accounts in collection: The Customer is expected to promptly respond to notice(s) issued by the City's collection agency and make good faith efforts to resolve any questions or disputes regarding the debt specified in such notice(s). If, after contacting the collection agency and making such good faith efforts, the Customer continues to dispute any amounts owing on the collection account, the Customer may contact

Customer Services and follow the process specified in Section 6.2.6.2 below.

- 6.2.6.2 For all other utility accounts: The Customer must contact Customer Services either by calling (253) 502-8600 or in person during regular business hours at the Tacoma Public Utilities (TPU) Administration Building, 3628 South 35th ST, Tacoma, WA. to request an informal conference.
- A. To request an informal conference, the Customer must fully fill out and timely submit a "Statement of Disputed Utility Bill" form. The Customer may obtain this form by requesting it from Customer Services no later than four (4) business days following the due date of the disputed invoice -- or the date the Customer contacted the City's collection agency. No conference or further review of the Customer's billing dispute will be available if the fully completed Statement of Disputed Utility Bill form is not submitted to Customer Services within seven (7) business days following the date the dispute form is mailed or otherwise provided to the Customer.
 - B. Informal conferences will be held at the Customer Services offices. The Customer may be accompanied or represented by another person. The Customer will be advised of Customer Services' decision and any action regarding the disputed bill in writing at or immediately following the informal conference.
 - C. If the Customer disputes the conference decision made by Customer Services and desires further review, the Customer may request a hearing before the City's Hearings Examiner. To request a hearing, the Customer must fully fill out and submit a "Request For Hearing Regarding Disputed Utility Bill" form. Customer Services will provide the review request form to the Customer at the informal conference upon request or the Customer may obtain this form by contacting Customer Services. The Customer must deliver a fully completed Request for Hearing form to Customer Services within seven (7) business days after the form is provided or mailed to the Customer. The appeal will be processed in accordance with the requirements of Chapter 1.23, TMC.

D. Customers are entitled to a hearing only on matters related to errors in billing, meter operation, meter reading, applicable ordinance rate or substantially similar issues. The hearing office shall not hear nor decide disputes nor complaints challenging (i) the validity or reasonableness of an ordinance rate; (ii) the City's authority to impose an ordinance rate; or (iii) the authority for a deposit or the amount of a requested deposit.

6.2.6.3 All utility charges and fees, except those portions that are under dispute, must be kept in a current paid status to avoid termination of service. The contested portion of the utility service will not be terminated until the bill dispute process stated above has been completed; provided, however, that service may be terminated by the Director during the dispute process if evidence exists of fraud or abuse of process by the Customer. Upon receipt of the decision, any amounts determined to be owed by Customer shall be paid within three (3) business days to avoid termination of service.

6.2.7 Owners of service address premises, or their designated agent(s), shall be responsible for ensuring that Customer Services is notified and provided with accurate information necessary to properly bill for utility services at the time tenants/occupants move in and/or move out of their premises. Owners may be held liable for any charges incurred if the required information is not provided to Customer Services.

VII. MISCELLANEOUS

- 7.1 Customer Services may terminate service if any misconduct relating to utility services occurs. Recourse shall be pursued under State law and/or City ordinance to recover costs associated with these actions.
- 7.2 Customer Services may refuse service or may take appropriate actions to terminate service, if the safety of Customer Services employees or any City utility employees is in jeopardy. Threats will not be tolerated. A written acknowledgment letter will be provided and must be signed by the customer prior to reconnection or continuation of service.
- 7.3 If there are conflicts between separately written contracts and these Customer Service Policies, the separately written contracts shall control and govern the resolution of such conflicts.
- 7.4 Customer Service will provide information regarding the winter shut-off policy in accordance with RCW 35.21.300 Utility Services—Limitations on termination of service for residential heating.
- 7.5 Additional consideration before disconnect of service may be given to Customers who have provided Customer Services with proper documentation of life sustaining equipment dependent upon utility service.

TITLE 12

Utilities

TITLE 12

UTILITIES

Chapters:

- 12.1 Utility Charges**
- 12.2 Franchises**
- 12.4 Collection of Charges by Agents**
- 12.5 Electric Energy – Other Utilities**
- 12.6 Electric Energy – Regulations and Rates**
- 12.06A Electrical Code**
- 12.7 Electric Energy – Interchange of Surplus Power**
- 12.8 Wastewater and Surface Water Management – Regulation and Rates**
- 12.9 Solid Waste, Recycling, and Hazardous Waste**
- 12.10 Water – Regulations and Rates**
- 12.11 *Expired***
- 12.12 *Repealed***
- 12.13 CLICK! Network Cable TV Products**

Chapter 12.06

ELECTRIC ENERGY – REGULATIONS AND RATES²

Sections:

- 12.06.010 General application.
- 12.06.020 Definitions.
- 12.06.030 Available voltages.
- 12.06.040 Application for service and contract.
- 12.06.050 Inspection.
- 12.06.060 Equipment and wires.
- 12.06.070 Rearranging lines or equipment.
- 12.06.080 Metering.
- 12.06.090 Connected load.
- 12.06.100 Deposits and connection charges.
- 12.06.110 Billing – Payment of bills and delinquency.
- 12.06.115 Disconnection of electric service.
- 12.06.120 Resale of electric energy prohibited.
- 12.06.130 Diversion of current.
- 12.06.140 Tampering and injury to City equipment.
- 12.06.150 City not liable for damages.
- 12.06.160 Residential service – Schedule A-1. Effective April 16, 2017, through March 31, 2018.
- 12.06.165 Low-income/senior and/or low-income/disabled discount residential service – Schedule A-2.
- 12.06.170 Small general service – Schedule B. Effective April 16, 2017, through March 31, 2018.
- 12.06.180 *Repealed.*
- 12.06.190 *Repealed.*
- 12.06.210 *Repealed.*
- 12.06.215 General service – Schedule G. Effective April 16, 2017, through March 31, 2018.
- 12.06.220 *Repealed.*
- 12.06.225 High voltage general service – Schedule HVG. Effective April 16, 2017, through March 31, 2018.
- 12.06.240 *Repealed.*
- 12.06.250 *Repealed.*
- 12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017, through March 31, 2018.
- 12.06.270 *Repealed.*
- 12.06.280 *Repealed.*
- 12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April 16, 2017, through March 31, 2018.
- 12.06.295 Street lighting service – Schedule H-3. Effective April 16, 2017, through March 31, 2018.
- 12.06.300 Private off-street lighting service – Schedule H-2. Effective April 16, 2017, through March 31, 2018.
- 12.06.310 Power factor provisions – Schedule P.
- 12.6.314 Tax credit – Schedule TC.
- 12.6.315 *Repealed.*
- 12.6.317 *Repealed.*
- 12.6.318 *Repealed.*
- 12.06.320 Additional rules may be made by director.
- 12.06.330 Customer service policies – Additional rules and regulations.
- 12.06.340 Violations – Penalties – Enforcement.
- 12.06.350 Severability.
- 12.06.360 *Repealed.*
- 12.06.370 Renewable Energy Program.

12.06.010 General application.

All persons receiving electric service from the Department shall be billed and pay for such service in accordance with the applicable published rate schedules hereinafter set forth in this chapter, or as the same may hereafter be amended by ordinance.

(Ord. 19320 § 2; passed Apr. 6, 1971)

² Prior legislation: Ords. 16486, 16718, 16729, 16979, 17181, 17335, 17652, 17740, 18074, 18121, 18378, 18379, 18577, 18654, 18705 and 19120.

12.06.020 Definitions.

- A. The word “person” wherever used shall be held to mean and include persons of either sex, associations, copartnerships and corporations, whether acting by themselves or by a servant, agent or employee; the singular number shall be held and construed to include the plural and the masculine pronoun to include the feminine.
- B. Where the word “City” is used reference is made to the City of Tacoma.
- C. Where the word “Department” is used reference is made to the Light Division of the Department of Public Utilities of the City of Tacoma (doing business as “Tacoma Power.”)
- D. Where the words “Tacoma Power” is used reference is made to the Light Division of the Department of Public Utilities of the City of Tacoma.
- E. Where the word “Director” is used reference is made to the Director of Public Utilities of the City of Tacoma or person with delegated authority.
- F. Where the word “month” is used the period between monthly meter readings is referred to, not a calendar month.
- G. Where the word “customer” is used reference is made to persons obtaining electric service from Tacoma Power.
- H. Where the word “inspector” is used reference is made to the Chief Electrical Inspector for the City or person with delegated authority.
- I. Unless otherwise specified, the term “regular work hours” when applied to service cut-ins, regular and delinquent, shall mean 8:00 a.m. to 4:00 p.m., Monday through Friday, excluding holidays.
- J. “Customer Service Policies” refers to the latest revision of the Customer Service Policies.

(Ord. 26848 § 1; passed Sept. 18, 2001: Ord. 25681 § 1; passed Mar. 21, 1995: Ord. 20267 § 1; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.030 Available voltages.

- A. Electric service shall be alternating current at 60 hertz; available at such suitable phase, voltage and metering as may be prescribed by the Department. The frequency and all voltages referred to in the Customer Service Policies are nominal. The normal operating tolerances in frequency and service voltage will be in accordance with the latest applicable industry standards.
- B. The Department, at the option of the Director may from time to time establish additional service voltages as may be deemed advisable.

(Ord. 25681 § 2; passed Mar. 21, 1995: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.040 Application for service and contract.

- A. Any person desiring to purchase electric energy from Tacoma Power shall make such request of the Department. Such request shall contain a description of the premises where such electric energy is desired and shall state whether the electric energy is to be used for lighting, cooking, heating, or power and shall constitute a consent to accept this electric supply subject to the general provisions and service policies of Tacoma Power, in force or thereafter adopted. The purchase and connection of electric energy shall be subject to the residential building and/or commercial building (that is proposed to be connected) complying with the energy efficiency standards as referenced in subsection D below. The connection of the applicant's premises by Tacoma Power to its electrical distribution system shall constitute acceptance of the request for service and shall be regarded as establishing the contractual obligations between the applicant and Tacoma Power.
- B. The rate designation for the service applied for shall be made by the Department and such classification shall be governed by the provisions of this chapter. Where optional schedules are available for the service to be rendered, the customer shall designate in writing the desired available option. A change to a different method of billing shall not be made effective until the next regular billing day after notice has been received by the Department. The Department shall have the right to restrict service to the premises to only one single-phase service and one three-phase service.
- C. The requirements for electrical service equipment and the supply of electric power for service to large industrial users and the distributors of wholesale power to the ultimate consumer are such that special consideration must be given when the load is to be increased or a new demand for large use is in prospect. These services are offered at compatible rates under the terms of a written contract.
- D. The furnishing of electric energy for: (1) new residential buildings, proposed to use electrical space heating; (2) new commercial buildings that are proposed to use electric space conditioning and/or electric lighting; and (3) conversions of residential or commercial buildings to electric space heating or electric space conditioning and/or electric lighting,

respectively, is contingent upon and subject to said residential and/or commercial building satisfying the energy efficiency standards established by the Washington State Energy Code WAC 51-11, as adopted and amended in Chapter 2.10 of the Tacoma Municipal Code as the Official Energy Code for the City of Tacoma, except for application to existing buildings undergoing conversion to provide for electric space heating or conditioning, the 1983 Northwest Conservation and Electrical Power Plan, Appendix L. Copies of said Plan and Code are on file with the City Clerk and are incorporated herein by this reference. Existing exterior building and area lighting and existing exterior sign lighting shall be required to meet the lighting control requirements of the Tacoma Energy Code within six months of notification by the City of Tacoma.

(Ord. 26848 § 2; passed Sept. 18, 2001: Ord. 26795 § 5; passed Apr. 3, 2001: Ord. 25523 § 1; passed Jun. 14, 1994: Ord. 23166 § 1; passed May 22, 1984: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.050 Inspection.

A. Before connecting any premises with Tacoma Power's circuits or furnishing electric current therefrom the City shall cause the wiring and devices to be carefully inspected. Until such wiring and devices are installed according to City standards and City Code and all appropriate connection fees paid, Tacoma Power shall decline to connect or reconnect the service wires with Tacoma Power's circuit.

B. The Tacoma Power shall have free and safe access at reasonable times, to any and all premises furnished with electric service by Tacoma Power for the purpose of inspecting any wires or electrical devices on said premises, reading or installing meters, and removing or repairing any property of Tacoma Power or for any other reasonable purpose connected with the operation of the electrical system.

C. The Tacoma Power shall have the right to disconnect or refuse to furnish electric energy to machinery, premises or apparatus that, in the opinion of the Director, is detrimental to the safety of Tacoma Power employees, the general public, or to the rendering of good and satisfactory service to its other customers. The Department, Tacoma Power, or the City is authorized to disconnect the service from any premises at any time where the wiring, devices, appliances, or fixture have become, or are found to be defective or dangerous, and shall not reconnect service until such defects are corrected in accordance with the rules and regulations of the City or Tacoma Power.

D. The City shall not be liable for any damages by fire or other cause resulting from defective wiring or appliances installed by the owner or other persons on the premises supplied with such electric current; and the fact that the agents of the City may have inspected the wiring and appliances shall not be regarded as a basis for recovery in any case of damage to persons or property.

E. It shall be unlawful for any person to add any device of 2,000 watts or larger, or to wire for, or rewire for, any lights or other devices without first filing written notice with the Department and obtaining a permit therefor, and in addition to incurring the penalty hereinafter provided, such person shall be liable to the City for all damages, arising from interrupted service, or from increased load on meters, transformers or appliances, or occurring in any manner as a result of such addition or additions.

(Ord. 26848 § 3; passed Sept. 18, 2001: Ord. 25681 § 3; passed Mar. 21, 1995: Ord. 24549 § 1; passed Jan. 23, 1990: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.060 Equipment and wires.

A. When a person's request for service has been accepted, and the service connection fee has been paid, Tacoma Power shall connect the electrical service to the premises. Tacoma Power shall furnish meters and instrument transformers used for metering electric service taken by the customer. The customer shall furnish and install facilities for termination of the service drop to the customer's premises in accordance with standards and specifications of Tacoma Power. Tacoma Power shall have the right to require the customer to furnish vaults with necessary primary conduit, secondary conduit, conductors, transformer foundation, fence and such other protection as may be necessary.

B. When a request for service necessitates extending existing distribution facilities to serve persons or premises not now served by Tacoma Power, the Director shall determine the reasonableness and feasibility of serving the applicant and the amount of prepaid cost, if any, to be paid by the applicant in advance of construction. The location of the service drop or connection must be approved by the inspector. Tacoma Power will furnish service to the first point of contact on the customer's premises or a designated point. Said point of contact shall be as determined by Tacoma Power. The customer shall furnish and maintain space for transformers, transformer foundations, secondary services boxes, fence, and such other protection as may be necessary when requested to do so by Tacoma Power.

C In areas supplied through overhead service facilities where the customer has made the request for an underground service connection, it may be granted under the terms of existing Customer Service Policies or by special arrangement.

D. All meters, transformers, lines, service entrances, switches, and equipment supplied by Tacoma Power shall be and remain the property of Tacoma Power and may be removed whenever the Director may so elect.

(Ord. 26848 § 4; passed Sept. 18, 2001: Ord. 25681 § 4; passed Mar. 21, 1995: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.070 Rearranging lines or equipment.

Whenever it becomes necessary for the benefit of any person to move, remove, change, rearrange and/or disconnect any wires, poles or apparatus belonging to the City, the cost of labor and material plus applicable administrative and general expense shall be charged to the person desiring the work to be done.

(Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.080 Metering.

A. Tacoma Power shall have the right to require the installation of such metering facilities as it may deem necessary or any and all measurements of electric energy on a customer's service. These requirements will be specified by Tacoma Power provided, however, that temporary service, or service to isolated relatively small fixed demands, may be rendered without metering when in the judgment of the Director the installation of metering facilities is deemed to be impractical. The Director shall determine for billing purposes hereunder the service requirements and the charges to be rendered under the rate schedule and/or ordinances applicable to the class of service furnished.

B. For billing purposes the demand shall be figured to the nearest kilowatt.

C. When a demand meter is used, it shall record the highest 30-minute average demand occurring within the billing period.

D. Persons requiring temporary service shall pay for electricity at the regular rates applicable to the class of service furnished and such additional charges as may otherwise by ordinance be provided.

(Ord. 26848 § 5; passed Sept. 18, 2001: Ord. 25681 § 5; passed Mar. 21, 1995: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.090 Connected load.

When connected load is used in connection with any rate schedule, the estimated connected load as shown on customer's application shall be used for billing purposes until such time as the Department shall have made a load check. The Department may recheck a customer's connected load at any time it may deem desirable. A check of connected load will be made at the request of the customer providing six months have elapsed since the previous request for check was made. A change in billing demand, when a change is made in connected load will be made only after load check or inspection shall have been made of customer's equipment.

(Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.100 Deposits and connection charges.

A. A service account establishment charge shall be made for each customer service order as set forth in Chapter 12.01 of the Tacoma Municipal Code.

B. The applicant may be required to make a cash deposit with the City Treasurer in an amount specified in customer policies adopted by the Public Utility Board. The City Treasurer may accept satisfactory securities or surety bond in lieu of cash deposit. Such deposit or security may be applied upon delinquent bills owing Tacoma Power and shall be applied to that portion first incurred. A change in the amount of the deposit or security may be required of any customer who changes status of service. The acceptance of a cash deposit or security by Tacoma Power shall not constitute a waiver of, or be a bar to the enforcement of, Tacoma Power's lien rights granted by existing laws of the state of Washington or any amendment thereto or any law hereinafter enacted.

(Ord. 26848 § 6; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25681 § 6; passed Mar. 21, 1995: Ord. 24946 § 1; passed Jul. 23, 1991: Ord. 23337 § 3; passed Sept. 10, 1985)

12.06.110 Billing - Payment of bills and delinquency.

A. The Director shall cause a bill to be rendered to each customer for electric energy consumed and/or services rendered during the preceding period. The utility bill shall become due and payable at the office of the City Treasurer or such other places designated by the Director within 15 days from the date an invoice is issued per TMC 12.01.030 and shall become delinquent thereafter. The Power Division shall compute any bill due under TMC 12.06 by carrying the computation to the third decimal place and rounding to a whole cent using a method that rounds up to the next cent whenever the third decimal place is greater than four.

B. If said bills are not paid when due, they shall become delinquent and the Director shall, if the same is necessary to enforce payment of said bills, cause a discontinuance of the service from the premises affected by such delinquency and service shall remain off until arrangement satisfactory to the Director has been made covering payment of the delinquent bill. In addition, any invoice that becomes delinquent shall be subject to a late payment fee as set forth in TMC 12.01.030.

C. All charges for electric energy or service shall be the personal obligation of the customer applying for or signing for and/or receiving such service, and in addition thereto, the City shall have all the lien rights granted by state laws against the premises where such service is furnished. The Director shall have the absolute authority, except as limited by said state laws, to refuse to furnish service to, to discontinue service to, or to refuse to resume service to any applicant or customer on account of the failure to pay delinquent bills owing Tacoma Power by such person, whether such bills cover service at the premises sought to be served or elsewhere.

D. The owner of the premises or the owner of a delinquent mortgage thereon to which electric energy has been furnished, when giving notice to cut off service to said premises shall give notice upon a form approved, furnished and provided by Tacoma Power and shall specifically state therein the right, title and/or interest of such person in said premises and the name or names of any other person having an interest therein.

E. Any tax now or hereafter imposed upon the sale and/or delivery of electric energy shall be added by the Department to the bills rendered for service, which bills shall be paid by the customers.

F. Meter readings may be made by the Department on a bi-monthly or other periodic basis. The Department may for any reason implement and impose charges based on estimated electrical consumption or an estimated meter reading.

(Ord. 28160 Ex. A; passed July 9, 2013; Ord. 28134 Ex. A; passed Feb. 26, 2013; Ord. 26848 § 7; passed Sept. 18, 2001: Ord. 25460 § 1; passed Mar. 22, 1994: Ord. 23337 § 3; passed Sept. 10, 1985)

12.06.115 Disconnection of electric service.

In addition to the other authority in this chapter (or other laws) to discontinue electric service, the Director is hereby authorized to discontinue electric service to a customer's premises when:

A. A customer defaults on a Tacoma Power energy conservation loan agreement; or

B. A customer defaults on an agreement with Tacoma Power to pay the cost for construction of secondary service conversion to underground, related to local improvement district undergrounding; or

C. A customer fails to provide a Department requested deposit pursuant to Code Section 12.06.100; or

D. A customer fails to satisfy his/her obligations pursuant to an Owner Guarantee for Utility Deposit Agreement or a Cosigner's Guarantee for Utility Deposit Agreement; or

E. A customer constructs or modifies a building or structure in violation of Tacoma Municipal Code Section 12.06.040.D relating to building thermal performance, selection of equipment for heating, ventilating and air conditioning, water heating, electrical distribution, and illuminating systems and equipment as specified in the energy efficiency standards as adopted by the City.

Except as otherwise provided in Sections 12.06.050 and 12.06.130, termination of electric service to a premises, as authorized by this chapter, shall not occur until: (1) Tacoma Power has provided the customer reasonable notice of the intent to terminate electric service, and (2) the customer has been offered the opportunity of a hearing before a hearing officer. Reasonable notice may be accomplished by mailing such notice to the customer using United States Postal Service.

(Ord. 26848 § 8; passed Sept. 18, 2001: Ord. 24946 § 2; passed Jul. 23, 1991)

12.06.120 Resale of electric energy prohibited.

A. No person shall be permitted to resell electric energy received from the City unless the schedule or contract under which service is obtained provides otherwise, and except as permitted by law, no person generating or receiving electric energy from other sources shall be permitted to sell or exchange such electric energy excepting to the City of Tacoma.

(Ord. 25681 § 7; passed Mar.21, 1995: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.130 Diversion of current.

A. "Current diversion" means any obtaining of electrical energy or power to which a person, building or structure is not legally entitled pursuant to state law, this chapter or customer service policies adopted hereunder, including but not limited to tampering as set forth in City Code Section 12.06.140.

B. Where it is found that current is being diverted illegally the service shall be discontinued immediately and shall remain disconnected until the conditions under subsection C following, have been satisfied.

C. The agent, the tenant or the owner of the premises to which current has been diverted has:

1. Caused the service entrance to be rewired to meet satisfactorily the present code requirements.
2. Satisfied any and all payments for service then due including a bill rendered by the City to recover the loss for power and energy diverted and all costs of investigation.

D. The civil remedies set forth herein are in addition to all other civil or criminal remedies available under State law, including but not limited to RCW 80.28.240 and/or RCW Title 9A, this Code, or Customer Services Policies adopted hereunder.

(Ord. 25460 § 2; passed Mar. 22, 1994: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.140 Tampering and injury to City equipment.

A. It shall be unlawful for any person, other than a duly authorized employee of the Department acting under the authority of the Director to connect any house, premises, wires or appliances with the City's electric circuits for the purpose of securing the electric current therefrom, or for any other purpose whatever. If such unlawful action is taken, the Department shall have the right to disconnect the service at the service source and demand a minimum restoration fee as set forth in City Code Section 12.01.010 plus all other unpaid charges owing the Department.

B. If the seal on the City's meter is broken, or the meter from any cause does not properly register, or any other evidence of energy having been used illegally is found, the Director shall charge the customer, or the owner of the premises when there is no current customer of utility services, with an energy consumption estimate along with all costs associated with the investigation and resealing of the meter.

C. The civil remedies set forth herein are in addition to all other civil or criminal remedies available under State law, including but not limited to RCW 80.28.240 and/or RCW Title 9A, this Code, or Customer Service Policies adopted hereunder.

(Ord. 28422 Ex. A; passed Apr. 4, 2017: Ord. 25681 § 8; passed Mar. 21, 1995: Ord. 25460 § 3; passed Mar. 22, 1994: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.150 City not liable for damages.

A. The City shall not be liable for damages nor will allowances be made for loss of production, sales or service; in case of abnormal voltage, frequency or current variations, or in case the operations of the City's source of power or means of distribution fails or is curtailed, suspended, interrupted or interfered with; for any cause reasonably beyond its control. Such failure, curtailment, suspension, interruption or interference shall not be held to constitute a breach of contract on the part of the City, or in any way affect any liability for payment for power made available or for money due on or before the date on which such failure or interference occurred. The customer shall notify the Department as soon as possible in case of such failure of or interference with the City's electric service.

B. If electrical service is left on between customers as a benefit to the customer, the Department, or both, or the service is discontinued for "nonpayment" or "no contract," the Department shall not be liable for damages incurred to the property because of such actions.

(Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.160 Residential service – Schedule A-1. Effective April 16, 2017, through March 31, 2018.

A. Availability. Available for domestic purposes in residences, apartments, duplex houses and multiple family dwellings.

B. Applicability. To single residences, individually metered apartments and per apartment for collectively metered apartments.

C. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.
2. Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.
3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof,~~ for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof,~~ for collectively metered apartments.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

D. Service Conditions.

1. Where load conditions warrant, three-phase electric service may be made available by prior written agreement.

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017: Ord. 28285 Ex. A; passed Mar. 17, 2015: Ord. 28134 Ex. A and Ex. B; passed Feb. 26, 2013: Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011: Ord. 27332 § 1; passed Mar. 22, 2005: Ord. 27150 § 1; passed Oct. 7, 2003: Ord. 27058 § 1; passed Mar. 18, 2003: Ord. 26848 § 9; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25681 § 9; passed Mar. 21, 1995: Ord. 25460 § 4; passed Mar. 22, 1994: Ord. 25076 § 1; passed Mar. 24, 1992: Ord. 24584 § 1; passed Mar. 20, 1990: Ord. 24050 § 1; passed Mar. 29, 1988: Ord. 23703 § 1; passed Sept. 23, 1986: Ord. 23473 § 1; passed Sept. 24, 1985: Ord. 23372 § 1; passed Apr. 16, 1985: Ord. 23277 § 1; passed Oct. 23, 1984: Ord. 23093 § 1; passed Dec. 27, 1983: Ord. 23061 § 1; passed Nov. 22, 1983: Ord. 22951 § 1; passed Jul. 5, 1983: Ord. 22878 § 1; passed Mar. 1, 1983: Ord. 22460 § 1; passed Jul. 7, 1981: Ord. 21917 § 1; passed Dec. 11, 1979: Ord. 21566 § 1; passed Dec. 19, 1978: Ord. 20267 § 4; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.165 Low-income senior and/or low-income disabled discount residential service – Schedule A-2.

A. Availability. Available for domestic purposes in residences, apartments, duplex houses and multiple family dwellings.

B. Applicability. To single residences and individually metered apartments. To Tacoma Power customers who:

1. (a) Are 62 years of age or older, and have a maximum household annual income of not more than 150 percent of the poverty guidelines established by the U.S. Department of Health and Human Services (or its successor agency) as computed annually and published in the Federal Register; or

- (b) Receive Supplemental Security Income pursuant to 42 USC Sections 1381 through 1383; or
- (c) Are disabled and receive income from a disability program as a result of a disability that prevents working consistent with the requirements of 42 USC Section 401 et seq. and whose annual household income, together with all household members,

(D) Delivery. All energy delivered in kilowatt-hours at \$0.034587 per kWh as published by the U.S. Department of Health and Human Services (or its successor agency) as computed annually and published in the Federal Register for the number of individuals in the household; and

2. Are a single occupant or the head of a household or the spouse of the head of the household; and
3. Reside in the dwelling unit; and
4. Are billed or are the spouse of a person billed by Tacoma Power; and
5. Customers who have been certified eligible by the authorized administering agency on or before March 31, 2003, and who have an active City of Tacoma Department of Public Utilities (d.b.a. Tacoma Public Utilities) utility account (prior to said date) shall be grandfathered pursuant to the prior income eligibility criteria until such account closes. If a customer closes the active account and does not reestablish a new account within ten business days, or if a customer has never applied for the discount rate, then the customer must apply in accordance with the hereinabove criteria. Eligibility shall be certified by Tacoma Power in conjunction with the appropriate authorized administering organization. Each applicant may be contacted regarding weatherization services.

C. Monthly Rate. 70 percent of the monthly bill as calculated under Section 12.06.160 of the Tacoma Municipal Code, known as Residential Service - Schedule A-1.

D. Service Conditions.

1. Where load conditions warrant, three-phase electric service may be made available by prior written agreement.
2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 27971 Ex. A; passed Feb. 8, 2011: Ord. 27332 § 2; passed Mar. 22, 2005: Ord. 27058 § 2; passed Mar. 18, 2003: Ord. 26848 § 10; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25460 § 5; passed Mar. 22, 1994: Ord. 25076 § 2; passed Mar. 24, 1992: Ord. 24584 § 2; passed Mar. 20, 1990)

12.06.170 Small general service – Schedule B. Effective April 16, 2017, through March 31, 2018.

A. Availability. For nonresidential lighting, heating, and incidental power uses where a demand meter may be installed. Also for nonresidential incidental power uses where a meter is not installed. The customer's actual demand as determined by Tacoma Power may not exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power may not exceed 65 kilowatts upon initial service energization.

B. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.
2. Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.
3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

4. Exceptions:

(a) Within the City of Fife:

- (1) Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.
- (2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.
- (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

(b) Within the City of Fircrest:

- (1) Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.
- (2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.
- (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$20.75 per month ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month ~~or any fraction thereof~~ for unmetered services.

C. Service Conditions.

1. The maximum allowable total connected motor rating is 7.5 horsepower (5.6 kilowatts) exclusive of motors of 1/4 horsepower and under for standard plug-in applications.

2. At the option of Tacoma Power, a customer may be transferred to a demand metered rate if the customer's actual demand has exceeded 50 kilovolt amperes at least three times in the prior 24-month period.

3. Power factor provision applicable.

4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017: Ord. 28285 Ex. A; passed Mar. 17, 2015: Ord. 28134 Ex. A and Ex. B; passed Feb. 26, 2013: Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011: Ord. 27604 § 1; passed Apr. 17, 2007: Ord. 27332 § 3; passed Mar. 22, 2005: Ord. 27150 § 2; passed Oct. 7, 2003: Ord. 27058 § 3; passed Mar. 18, 2003: Ord. 26848 § 11; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25681 § 10; passed Mar. 21, 1995: Ord. 25460 § 6; passed Mar. 22, 1994: Ord. 25076 § 3; passed Mar. 24, 1992: Ord. 24584 § 3; passed Mar. 20, 1990: Ord. 24050 § 2; passed Mar. 29, 1988: Ord. 23372 § 2; passed Apr. 16, 1985: Ord. 22951 § 2; passed Jul. 5, 1983: Ord. 22878 § 2; passed Mar. 1, 1983: Ord. 22460 § 2; passed Jul. 7, 1981: Ord. 21917 § 2; passed Dec. 11, 1979: Ord. 21566 § 2; passed Dec. 19, 1978: Ord. 20267 § 5; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.180 Commercial all-electric cooking, baking and water heating rate – Schedule C. *Repealed by Ord. 24584.*

(Ord. 24584 § 4; passed Mar 20, 1990: Ord. 20267 § 6; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.190 General commercial service – Schedule C. *Repealed by Ord. 24584.*

(Ord. 24584 § 5; passed Mar 20, 1990: Ord. 24050 § 3; passed Mar. 29, 1988: Ord. 23372 § 3; passed Apr. 16, 1985: Ord. 22951 § 3; passed Jul. 5, 1983: Ord. 22878 § 3; passed Mar. 1, 1983: Ord. 22460 § 3; passed Jul. 7, 1981: Ord. 21917 § 3; passed Dec. 11, 1979: Ord. 21566 § 3; passed Dec. 19, 1978: Ord. 20267 § 7; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.210 General service – Schedule E-1. *Repealed by Ord. 24584.*

(Ord. 24584 § 6; passed Mar 20, 1990: Ord. 24050 § 4; passed Mar. 29, 1988: Ord. 23372 § 4; passed Apr. 16, 1985: Ord. 22951 § 4; passed Jul. 5, 1983: Ord. 22878 § 4; passed Mar. 1, 1983: Ord. 22460 § 4; passed Jul. 7, 1981: Ord. 21917 § 4; passed Dec. 11, 1979: Ord. 21566 § 4; passed Dec. 19, 1978: Ord. 20267 § 9; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.215 General service – Schedule G. Effective April 16, 2017, through March 31, 2018.

A. Availability. For general power use where a demand meter is installed, for standby capacity to customers generating all or a part of their electric power requirements, and for intermittent use. The customer's actual demand as determined by Tacoma

Power must exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power must exceed 65 kilowatts upon initial service energization.

For customers providing all their own transformation from Tacoma Power's distribution system voltage, a discount for transformer investment and maintenance will be provided by reducing the monthly bill by 0.8 percent. For customers metered on the primary side of a transformer, a discount for transformer losses will be provided by reducing the monthly bill by 1 percent. These discount percentages are additive, and not compounded.

B. Monthly Rate. The sum of the following energy, delivery, and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
2. Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.
3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~
4. Exceptions:
 - (a) Within the City of Fife:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~
 - (b) Within the City of Fircrest:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~
 - (c) Within the City of Lakewood:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~
 - (d) Within the City of Steilacoom:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~
 - (e) Within the City of University Place:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.
 - (2) Delivery: All Kilowatts of Billing Demand delivered at \$7.91 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$63.00 per month ~~or any fraction thereof.~~

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The Billing Demand shall be the highest of:

1. The highest measured demand for the month adjusted for power factor;
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
3. 100 percent of the standby capacity.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

D. Standby Capacity. That amount of power requested by written application or estimated by the Director to be made continuously available for exclusive use of the customer.

E. Service Conditions.

1. At the option of Tacoma Power, primary metering may be installed where the service transformers aggregate 500 kVA or more.
2. At the option of Tacoma Power, a customer may be transferred to a non-demand metered rate if the customer's actual demand has not exceeded 50 kilovolt amperes in the prior 24-month period.
3. Power factor provision applicable.
4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017; Ord. 28285 Ex. A; passed Mar. 17, 2015; Ord. 28134 Ex. A and Ex. B; passed Feb. 26, 2013; Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011; Ord. 27332 § 4; passed Mar. 22, 2005; Ord. 27150 § 3; passed Oct. 7, 2003; Ord. 27058 § 4; passed Mar. 18, 2003; Ord. 26848 § 12; passed Sept. 18, 2001; Ord. 26628 § 1; passed May 16, 2000; Ord. 25681 § 11; passed Mar. 21, 1995; Ord. 25460 § 7; passed Mar. 22, 1994; Ord. 25076 § 4; passed Mar. 24, 1992; Ord. 24584 § 7; passed Mar. 20, 1990; Ord. 24050 § 5; passed Mar. 29, 1988)

12.06.220 Primary general service – Agencies – Schedule E-2. Repealed by Ord. 24584.

(Ord. 24584 § 8; passed Mar 20, 1990; Ord. 24050 § 6; passed Mar. 29, 1988; Ord. 23372 § 5; passed Apr. 16, 1985; Ord. 22951 § 5; passed Jul. 5, 1983; Ord. 22878 § 5; passed Mar. 1, 1983; Ord. 22460 § 5; passed Jul. 7, 1981; Ord. 21917 § 5; passed Dec. 11, 1979; Ord. 21566 § 5; passed Dec. 19, 1978; Ord. 20267 § 10; passed Dec. 17, 1974; Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.225 High voltage general service – Schedule HVG. Effective April 16, 2017, through March 31, 2018.

A. Availability. For general power use where a demand meter is installed and where a customer served does not require the use of Tacoma Power's distribution facilities other than substation transformation. Customers over 8 Megawatts who do not have a Power Service Agreement (Contract) with Tacoma Power will take service under TMC 12.06.215 General Service. A Power Service Agreement (Contract) with Tacoma Power is required for customers who begin taking service under TMC 12.06.225 High voltage general service after April 16, 2017. For customers who provide all of their own transformation from Tacoma Power's transmission system voltage, a credit of 24.00 percent will be applicable to the delivery charge.

High voltage general service customers shall be billed the following rates under Subsection 12.06.225.B (a two-step rate increase effective April 16, 2017 and April 1, 2018) unless the Customer files by April 21, 2017, a written notice in a form approved by Tacoma Power that irrevocably elects to be billed under the alternative rates under Subsection 12.06.225.C (a one-step rate increase effective April 16, 2017 with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

B. Monthly Rate: The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.
2. Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.
3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~
4. Exceptions:
 - (a) Within the City of Fife:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~
 - (b) Within the City of Fircrest:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.
 - (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~
 - (c) Within the City of Lakewood:
 - (1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.
 - (2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$850.00 per month ~~or any fraction thereof.~~

C. Monthly Rate (a one-step rate increase effective April 16, 2017, with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

	Effective 4/16/2017	Effective 4/1/2019 unless superseded prior to effective date
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Exceptions:		
Within the City of Fife		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Within the City of Fircrest		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Within the City of Lakewood		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Within the City of Steilacoom		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Within the City of University Place		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00

D. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The billing demand shall be the higher of:

1. The highest measured demand for the month adjusted for power factor, or
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power

factor.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

E. Service Conditions.

1. Power factor provision applicable.

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017; Ord. 28285 Ex. A; passed Mar. 17, 2015; Ord. 28134 Ex. A; passed Feb. 26, 2013; Ord. 27976 Ex. A; passed Mar. 29, 2011; Ord. 27332 § 5; passed Mar. 22, 2005; Ord. 27150 § 4; passed Oct. 7, 2003; Ord. 27058 § 5; passed Mar. 18, 2003; Ord. 26848 § 13; passed Sept. 18, 2001)

12.06.240 Primary general service – Schools – Schedule E-3. Repealed by Ord. 24584.

(Ord. 24584 § 9; passed Mar 20, 1990; Ord. 24050 § 7; passed Mar. 29, 1988; Ord. 23372 § 6; passed Apr. 16, 1985; Ord. 22951 § 6; passed Jul. 5, 1983; Ord. 22878 § 6; passed Mar. 1, 1983; Ord. 22460 § 6; passed Jul. 7, 1981; Ord. 21917 § 6; passed Dec. 11, 1979; Ord. 21566 § 6; passed Dec. 19, 1978; Ord. 20267 § 12; passed Dec. 17, 1974; Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.250 Temporary general service – Schedule L. Repealed by Ord. 24584.

(Ord. 24584 § 10; passed Mar 20, 1990; Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017, through March 31, 2018.

A. Availability. For major industrial power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:

1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts;
2. Delivery of power at one primary voltage;
3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
4. Power factor adjustment to 95 percent lagging or better; and
5. Service is subject to curtailment and certain notice provisions are applicable.

B. Monthly Rate. The sum of the following power service, delivery, customer and other charges:

1. Power Service Charges:

(a) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at \$0.030675 per kWh.

(b) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(c) Minimum Charge: The Demand Charge.

(d) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

$$\text{Contract Energy Overrun Charge} = (\text{MWh} + \text{Losses}) \times (\text{THI} + \text{Tx}) \times 120\%.$$

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(e) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

$$\text{Contract Demand Overrun Charge} = \text{MW} \times 300\% \times \text{DC}$$

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

2. Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies;
\$1,870.00 per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

(1) Power Service Charges:

(i) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at \$0.030675 per kWh.

(ii) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(iii) Minimum Charge: The Demand Charge.

(iv) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

$$\text{Contract Energy Overrun Charge} = (\text{MWh} + \text{Losses}) \times (\text{THI} + \text{Tx}) \times 124.1319\%$$

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(v) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

$$\text{Contract Demand Overrun Charge} = \text{MW} \times 300\% \times \text{DC}$$

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$1,870 per month ~~or any fraction thereof.~~

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly.

1. The Billing Demand shall be the highest of:

(a) The highest measured demand for the month, adjusted for power factor;

(b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor;

(c) A demand level equal to the Contract Energy, in average megawatt (as set forth in the Contract); or

(d) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.

D. Service Conditions.

1. Power factor provision applicable; and

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017: Ord. 28285 Ex. A; passed Mar. 17, 2015: Ord. 28134 Ex. A and Ex. B; passed Feb. 26, 2013: Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011: Ord. 27332 § 6; passed Mar. 22, 2005: Ord. 27150 § 5; passed Oct. 7, 2003: Ord. 27058 § 6; passed Mar. 18, 2003: Ord. 26848 § 14; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25681 § 12; passed Mar. 21, 1995: Ord. 25460 § 8; passed Mar. 22, 1994: Ord. 25076 § 5; passed Mar. 24, 1992: Ord. 24584 § 11; passed Mar. 20, 1990: Ord. 24050 § 8; passed Mar. 29, 1988: Ord. 23372 § 7; passed Apr. 16, 1985: Ord. 22951 § 7; passed Jul. 5, 1983: Ord. 22878 § 7; passed Mar. 1, 1983: Ord. 22460 § 7; passed Jul. 7, 1981: Ord. 21917 § 7; passed Dec. 11, 1979: Ord. 21566 § 7; passed Dec. 19, 1978: Ord. 20267 § 13; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.270 General time of day/off-peak service – Schedule TODG. *Repealed by Ord. 25681.*

(Ord. 25681 § 13; passed Mar 21, 1995: Ord. 25460 § 9; passed Mar. 22, 1994: Ord. 25076 § 6; passed Mar. 24, 1992: Ord. 24584 § 12; passed Mar. 20, 1990: Ord. 24050 § 9; passed Mar. 29, 1988: Ord. 23737 § 1; passed Nov. 25, 1986)

12.06.280 Interruptible power service – Schedule IP. *Repealed by Ord. 26848.*

(Ord. 26848 § 15; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 24050 § 10; passed Mar. 29, 1988: Ord. 22460 § 8; passed Jul. 7, 1981: Ord. 21917 § 8; passed Dec. 19, 1978: Ord. 20267 § 14; passed Dec. 17, 1974: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April 16, 2017, through March 31, 2018.

A. Availability: Available for:

1. Public street lighting service where the lighting system is in operation during hours of darkness and where the street light system and equipment is owned by the customer, or there have been other suitable prior written arrangements agreed to by Tacoma Power and the applicant; and
2. Traffic controllers, signal lights, warning lights, danger lights, pedestrian lights and similar uses, where the traffic control system and equipment is owned and maintained by the customer.

B. Monthly Rate: Rates stated herein are for (1) unmetered installations [items 1 and 2] where charges are per fixture and shall be applied to the number of installed units on the system as determined by Tacoma Power at the time the billing is rendered, and (2) metered installations [item 3].

1. Street Lighting Units (Unmetered):

(a) Incandescent Lamps:

Nominal Wattage	Energy Charge Per Unit
Up to 150 Watts	\$2.91
151-220 Watts	\$4.27
221-320 Watts	\$6.20
321-520 Watts	\$10.08
521 & Over Watts	\$15.90

(b) High Intensity Discharge Lamps:

Energy Charge Per Unit			
Nominal Wattage	Continuous	Dusk to Dawn	Dusk to 2:20 a.m.
50 Watts	\$2.15	\$1.16	\$0.73
70 Watts	\$3.02	\$1.63	\$1.03
100 Watts	\$4.31	\$2.33	\$1.47
150 Watts	\$6.46	\$3.49	\$2.20
175 Watts	\$7.54	\$4.07	\$2.56
200 Watts	\$8.62	\$4.65	\$2.93
250 Watts	\$10.77	\$5.82	\$3.66
310 Watts	\$13.35	\$7.21	\$4.54
400 Watts	\$17.23	\$9.31	\$5.86
700 Watts	\$30.16	\$16.29	\$10.26
1000 Watts	\$39.49	\$21.33	\$13.43
1500 Watts	\$64.62	\$34.90	\$21.98

(c) At the discretion of Tacoma Power, all lamps may be charged the following equivalent rate: Energy charge for lamp installations at the rate of \$35.90, \$19.39, and \$12.21 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Traffic Control Units (Unmetered):

(a)

Unit Type	Energy Charge Per Unit
(1) Red - Amber – Green	
Controllers	\$2.29
Heads	\$3.47
(2) Flashing	
Controllers	\$1.15
Heads	\$1.73

(1) Incandescent Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch Bulb	\$1.91	\$0.10	\$1.46	\$1.73		
12 Inch Bulb	\$4.66	\$0.25	\$3.56	\$4.23		
Pedestrian Head					\$1.73	\$1.73

(2)) Light Emitting Diodes (LED) Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch LED	\$0.23	\$0.02	\$0.15	\$0.21		
12 Inch LED	\$0.36	\$0.02	\$0.30	\$0.32		
Pedestrian Head					\$0.21	\$0.21

(3) Neon Lamps:

Unit Type	Energy Charge Per Unit	
	Walk	Wait
Pedestrian Head	\$0.19	\$0.74

(4) Controllers:

Unit Type	Energy Charge Per Unit
Traffic	\$2.29
Flashing	\$1.15

(5) All lamps or controllers not listed above: Energy charge for lamp or controller installations not listed in the above tabulations shall be calculated by multiplying the unit wattage (in kW) x 730 hours x percent active x \$0.050993 per kWh per month.

3. Street Lighting and Traffic Control Units (Metered): The sum of the following energy, delivery and customer charges:

(a) Energy: All energy measured in kilowatt-hours at \$0.034278 per kWh.

(b) Delivery: All energy delivered in kilowatt-hours at \$0.013281 per kWh.

(c) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies; \$8.10 per month ~~or any fraction thereof.~~

C. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017: Ord. 28285 Ex. A; passed Mar. 17, 2015: Ord. 28134 Exs. A, B; passed Feb. 26, 2013: Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011: Ord. 27604 § 2; passed Apr. 27, 2007: Ord. 27332 § 7; passed Mar. 22, 2005: Ord. 27058 § 7; passed Mar. 18, 2003: Ord. 26848 § 16; passed Sept. 18, 2001: Ord. 26628 § 1; passed

May 16, 2000: Ord. 25681 § 14; passed Mar. 21, 1995: Ord. 25460 § 10; passed Mar. 22, 1994: Ord. 25076 § 7; passed Mar. 24, 1992: Ord. 24584 § 13; passed Mar. 20, 1990: Ord. 24280 § 1; passed Feb. 28, 1989: Ord. 24050 § 11; passed Mar. 29, 1988: Ord. 23372 § 8; passed Apr. 16, 1985: Ord. 22951 § 8; passed Jul. 5, 1983: Ord. 22878 § 8; passed Mar. 3, 1983: Ord. 22460 § 9; passed Jul. 7, 1981: Ord. 21917 § 9; passed Dec. 11, 1979: Ord. 21566 § 9; passed Dec. 19, 1978: Ord. 20808 § 1; passed Jul. 13, 1976: Ord. 20267 § 15; passed Dec. 17, 1974: Ord. 19714 § 1; passed Dec. 12, 1972)

12.06.295 Street lighting service – Schedule H-3. Effective April 16, 2017, through March 31, 2018.

A. For the purpose of this section, the following definitions apply:

1. “Jurisdiction” shall mean a city, town, county, or other political subdivision of the state of Washington within the Tacoma Power service territory.
2. “Service Point” shall have the same meaning as defined in the Tacoma Power Customer Service Policies (as authorized under TMC 12.06.330), which is the point where the customer’s service conductors are connected to Tacoma Power’s service utility conductors.
3. “Street Lighting Service” shall mean lighting service supplied by Tacoma Power, where Tacoma Power owns the streetlight fixtures and provides power to the Service Point during the duration of the service.
4. “Capital Recovery Period” shall mean the time period over which Tacoma Power will levy a charge equal to the amortized value of the investment cost for the streetlight fixtures. Unless an alternative time period is mutually determined in writing between Tacoma Power and the Jurisdiction, this period will be 15 years. Streetlight fixtures remain the property of Tacoma Power after the Capital Recovery Period unless a Transfer of Ownership Charge has been paid.
5. “Transfer of Ownership Charge” shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests ownership of the fixtures. The charge is determined by costs of equipment, installation, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.
6. “Termination Charge” shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests termination of Street Lighting Service. The charge is determined by costs of equipment, installation, removal, disposal, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.
7. “Utility Financing Cost” shall mean the current cost of capital financing to Tacoma Power, as determined solely by Tacoma Power.

B. Schedule H-3 Availability.

1. To qualify for Street Lighting Service under the Schedule H-3, the Jurisdiction must agree to convert a minimum of 300 Jurisdiction streetlights.
2. For service under Schedule H-3, a Jurisdiction must submit a request in writing to Tacoma Power. Tacoma Power reserves the right to delay provision of service under Schedule H-3 for up to two years after the request date.

C. Service Conditions.

1. Monthly Rate: Rates stated herein are charged per fixture installed.
2. Streetlight Fixtures: Streetlight fixtures provided under the Schedule H-3 are owned by Tacoma Power unless the Transfer of Ownership provisions in this section are completed. Under the Schedule H-3, Tacoma Power will provide replacement streetlight fixtures as fixtures become inoperable.
3. Transfer of Ownership: A Jurisdiction may request in writing to purchase and transfer the ownership of and responsibility for a portion or all of a Jurisdiction’s streetlight fixtures under this Schedule H-3 at any time. Transfer of ownership shall occur after the Jurisdiction has paid a Transfer of Ownership Charge. Until the Transfer of Ownership Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3. After transfer of ownership, service will be billed under the Schedule H-1 for non-Tacoma Power owned streetlight fixtures.
4. Termination: A Jurisdiction may request in writing to terminate Schedule H-3 Street Lighting Service for a portion or all of Tacoma Power owned streetlight fixtures at any time. In the event of termination, the Jurisdiction shall pay the Termination Charge. Until the Termination Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3.
5. Fixture Specifications: Tacoma Power will provide fixtures that meet the Jurisdiction Traffic Engineer’s specifications. Tacoma Power may solicit input from the Jurisdiction on other fixture features, requirements, and options but retains final authority for fixture selection and purchase. Tacoma Power will purchase only such lighting fixture options as are directly related to Street Lighting Service. Non-streetlight related options that are determined by Tacoma Power to be compatible with

the streetlight fixture are allowed. The Jurisdiction will be solely responsible for installation, operation, maintenance, and all costs associated with non-streetlight related options. The Jurisdiction shall notify Tacoma Power of the type, quantity, location, and energy requirements of all non-streetlight related options installed.

6. Liability: The Jurisdiction is wholly responsible for all illumination engineering to meet roadway lighting specifications and the operation of all non-streetlight related options. By accepting Street Lighting Service under Schedule H-3, the Jurisdiction agrees to hold Tacoma Power harmless from any claim for damages associated with the streetlight fixtures provided under this Schedule H-3.

7. Installation: Tacoma Power may authorize the Jurisdiction to install some or all streetlight fixtures covered under this Schedule H-3. If the Jurisdiction elects to perform such installations, the cost shall be at the expense of the Jurisdiction.

8. Service Point: Schedule H-3 will be available to provide Street Lighting Service to customer Service Points with existing streetlight fixtures only.

9. Poles and Circuits: The Jurisdiction that owns the poles and circuits associated with light service under Schedule H-3 shall be responsible for the appropriate maintenance of said poles and circuits. The Jurisdiction is responsible for the safe operation of the poles, circuits, and light fixtures. Tacoma Power reserves the right to refuse or discontinue service under Schedule H-3 if Tacoma Power determines a pole or circuit is inadequate to provide safe Street Lighting Service. In the event a Schedule H-3 streetlight fixture must be discontinued due to an unsafe condition, the Jurisdiction shall remedy the condition immediately or follow the Termination provision above.

10. Maintenance and Repair: The Jurisdiction is responsible for performing, at its sole expense, all maintenance and repair activities associated with the streetlight fixture provided by Tacoma Power under this Schedule H-3. Maintenance and repair includes, but is not limited to, labor and equipment. In the event a Schedule H-3 streetlight fixture fails, the Jurisdiction shall return the failed streetlight fixture to Tacoma Power for replacement. If the Jurisdiction damages a streetlight fixture while performing maintenance, the Jurisdiction will be responsible for the cost to repair or replace the streetlight fixture.

11. Energy: Tacoma Power will provide energy for the streetlight fixture up to the Jurisdiction provided Service Point.

12. Additional Rules: Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

D. Monthly Rates: The sum of the following energy and capital recovery charges:

1. Energy: Energy charge for lamp installations shall be at the rate of \$35.90, \$19.39, and \$12.21 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Capital Recovery Charge:

a. For the biennium during which the fixtures shall be installed, the Capital Recovery Charge shall be calculated as follows:

(1) The monthly amount required to achieve full expense recovery from the Jurisdiction over the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and estimated installation cost.

(2) The amount calculated in (1) shall be multiplied by the number of months in the rate period.

(3) The amount in (2) shall be divided by the estimated number of fixture-months to be billed during the rate period.

b. Accounting records shall be kept that record the differences between actual and estimated installation cost, and actual and estimated fixture-months billed. For biennia subsequent to that in which the fixtures are installed, the Capital Recovery Charge shall be calculated as follows:

(1) The amount required to be recovered from the Jurisdiction each month of the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and actual installation cost.

(2) The amount calculated in (1) shall be multiplied by the number of months in the rate period.

(3) The amount in (2) shall be divided by the estimated number of fixture-months to be billed during the rate period.

(4) The amount in (3) shall be adjusted to reflect in difference between actual and estimated expenses and recoveries during the biennium during which the fixtures were installed.

(Ord. 28422 Ex. A; passed Apr. 4, 2017)

12.06.300 Private off-street lighting service – Schedule H-2. Effective April 16, 2017, through March 31, 2018.

A. Availability. Available for outdoor lighting service along private street and roadways, over parking lots, and for general area lighting of private property, but excluding public streets within the City of Tacoma.

B. Character of Service.

1. Lighting under this schedule shall be limited to the hours of darkness when street and highway lights are normally in use. The hours of use shall be regulated by a photoelectric control.

2. Tacoma Power will install, own, and maintain the equipment.

3. Energy will be provided on an unmetered basis.

C. Monthly Rate.

1. High Pressure Sodium Lamps:

Lamp Rating (Watts/Lamp)	Type	Rental Charge
100-Watt	Sodium Vapor	\$12.95
200-Watt	Sodium Vapor	\$16.43
400-Watt	Sodium Vapor	\$30.44

2. All Other Lamps:

Lamp Rating (Watts-Equivalent/Lamp)	Rental Charge
0-200 Watt Equivalent	\$14.69
201-400 Watt Equivalent	\$30.44
401-800 Watt Equivalent	\$46.19
801-1000 Watt Equivalent	\$61.94
1001-1500 Watt Equivalent	\$77.69

3. Additional Equipment: Fixtures will be installed on existing poles. Additional poles required for a lighting installation may be installed at applicant expense. A maximum of three poles will be allowed at a cost of \$624.23 per pole. Ancillary materials will be an additional expense. The customer shall pay the entire installation cost prior to installation.

4. For customers billed under low-income senior and/or low-income disabled discount residential service, Rate Schedule A-2, a discount will be provided by reducing the monthly bill by 30 percent.

D. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 28422 Ex. A; passed Apr. 4, 2017; Ord. 28285 Ex. A; passed Mar. 17, 2015; Ord. 28134 Ex. A and Ex. B; passed Feb. 26, 2013; Ord. 27976 Ex. A and Ex. B; passed Mar. 29, 2011; Ord. 27332 § 8; passed Mar. 22, 2005; Ord. 27058 § 8; passed Mar. 18, 2003; Ord. 26848 § 17; passed Sept. 18, 2001; Ord. 26628 § 1; passed May 16, 2000; Ord. 25681 § 15; passed Mar. 21, 1995; Ord. 25460 § 11; passed Mar. 22, 1994; Ord. 25076 § 8; passed Mar. 24, 1992; Ord. 24584 § 14, passed Mar. 20, 1990; Ord. 24280 § 2; passed Feb. 28, 1989; Ord. 24050 § 12; passed Mar. 29, 1988; Ord. 23372 § 9; passed Apr. 16, 1985; Ord. 22878 § 9; passed Mar. 1, 1983; Ord. 22460 § 10; passed Jul. 7, 1981; Ord. 21105 § 1; passed Jul. 5, 1977; Ord. 20267 § 16; passed Dec. 17, 1974; Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.310 Power factor provisions – Schedule P.

A. Application. The provisions of this schedule shall be applicable to all electrical service, unless and until specific arrangements are made in writing with Tacoma Power to the contrary.

B. Equipment. Except for portable equipment of less than three kVA rating and arc furnace loads as set forth in Adjustment Provision C.2 below, all installations of neon, mercury vapor, fluorescent or other gaseous tube lighting, as well as welding transformers, X-ray machines, motors and any other electrical equipment having low power factor characteristics, which are hereafter installed, replaced, relocated, or rearranged, shall include proper equipment to correct the power factor of such

installations to not less than 95 percent lagging for each unit or separately controlled group of units, or 90 percent lagging for each separate service whose load primarily consists of an arc furnace(s).

Existing nonconforming electrical installations shall be subject to all provisions of this chapter and the installation of corrective equipment may be required by Tacoma Power.

All power factor corrective equipment installed or operated by the customer shall be so used as to further the objectives of this chapter without causing adverse voltage conditions upon Tacoma Power's system. Tacoma Power shall have the right to require the installation of suitable switching facilities and to disconnect or to refuse to furnish electric energy to any installation that, in the opinion of Tacoma Power, is detrimental to the rendering of satisfactory service to its other customers.

C. Adjustment Provisions. If the average power factor at which electric energy is delivered to the customer during the billing period is 95 percent or more, no adjustment will be made in the customer's billing for that period, unless otherwise provided in written contract.

If such average power factor is less than 95 percent, the customer's billing shall be adjusted as follows:

1. For demand type rate schedules which serve other than arc furnace loads, the measured demand in kilowatts shall be adjusted by multiplying by 0.95 and dividing the result by the average power factor. Such adjusted demands shall then become and thereafter be used as a basis for billing.
2. For demand type rate schedules which serve arc furnace loads, the measured demand in kilowatts shall be adjusted by multiplying by 0.90 and dividing the result by the average power factor. Such adjusted demands shall then become and thereafter be used as a basis for billing.
3. Minimum charges shall be determined on the basis of 1 or 2 above, as applicable.
4. For loads up to 75 kilowatts connected, Tacoma Power may elect not to apply the adjustment provisions herein established.

D. Minimum and Average Power Factor. Unless otherwise specifically agreed, Tacoma Power shall not be obligated to deliver electric energy to the customer at any time at a power factor below 80 percent lagging.

The average power factor (APF) is determined as follows:

1. As determined with a watt-hour meter and a var-hour meter:

$$\text{APF} = \frac{\text{Kilowatt - hours}}{\sqrt{(\text{Kilowatt-hours})^2 + (\text{Reactive Kilovolt Ampere-hours})^2}}$$

The var-hour meters for measurement of reactive power shall be ratcheted to prevent reverse registration.

E. Service Conditions. Applicable provisions of the City Code, General Provisions and Customer Service Policies governing the sale of electric energy shall apply.

(Ord. 26848 § 18; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 24050 § 13; passed Mar. 29, 1988: Ord. 23372 § 10; passed Apr. 16, 1985: Ord. 22460 § 11; passed Jul. 7, 1981: Ord. 21917 § 10; passed Dec. 11, 1979: Ord. 19320 § 2; passed Apr. 6, 1971)

12.6.314 Tax credit – Schedule TC.

A. Availability. This schedule is a supplemental schedule to all other Light Division electric rate schedules and is applicable to customers on whom the Department is not legally obligated to pay the State of Washington Public Utility Tax and/or any other taxes.

B. Monthly Rate. The sum of all applicable electric rate schedule charges to such customers shall be reduced by an amount equal to the State of Washington Public Utility Tax and/or any other applicable taxes.

The following formula will be used:

Revised Charge = (1 - ST - OT) x (the sum of all applicable electric rate schedule charges)

where: ST = State of Washington Public Utility Tax rate

OT = Any other taxes

(Ord. 26628 § 1; passed May 16, 2000: Ord. 25076 § 9; passed Mar. 24, 1992)

12.6.315 Supplemental municipal service – Schedule M. *Repealed by Ord. 27150.*

(Ord. 27150 § 6; passed Oct. 7, 2003: Ord. 26628 § 1; passed May 16, 2000: Ord. 25460 § 12; passed Mar. 22, 1994: Ord. 24818 § 1; passed Jan. 15, 1991: Ord. 24050 § 14; passed Mar. 29, 1988: Ord. 23877 § 1; passed Jun. 23, 1987)

12.6.317 Cost adjustment clause. *Repealed by Ord. 26848.*

(Ord. 26848 § 19; passed Sept. 18, 2001: Ord. 26628 § 1; passed May 16, 2000: Ord. 25764 § 2; passed Sept. 26, 1995: Ord. 25681 § 16; passed Mar. 21, 1995: Ord. 25460 § 13; passed Mar. 22, 1994: Ord. 25076 § 10; passed Mar. 24, 1992: Ord. 24584 § 15; passed Mar. 20, 1990: Ord. 24050 § 15; passed Mar. 29, 1988)

12.6.318 Power Purchased From Bonneville Power Administration – Cost Adjustment Clause – Schedule PPCAC. *Repealed by Ord. 27227.*

(Ord. 27227 § 1; passed Apr. 27, 2004: Ord. 27190 § 1; passed Jan. 29, 2004: Ord. 27146 § 1; passed Sep. 30, 2003: Ord. 27058 § 9; passed Mar. 18, 2003)

12.06.320 Additional rules may be made by director.

The Director of Utilities may make such rules and regulations governing the operation of this chapter as are not inconsistent with its provisions including monthly billing on designated accounts as may be necessary to effectively administer monthly or bimonthly billing. The Director may grant reasonable adjustments in cases where the terms of this chapter place an injustice upon a customer if after written evidence has been presented to the Department it is shown that irregular circumstances of the customer's load, service and/or conditions warrant such adjustments.

(Ord. 24584 § 16; passed Mar. 20, 1990: Ord. 24050 § 16; passed Mar. 29, 1988: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.330 Customer service policies – Additional rules and regulations.

The Director of Utilities shall promulgate and enforce such customer service policies and related additional rules and regulations which may be deemed necessary from time to time to implement, encourage, and/or facilitate the use of electric energy, pursuant to a Public Utility Board resolution approving the same, copies of which data will be placed on file with the Clerk of the Public Utility Board and made available for information at the Department.

(Ord. 26848 § 20; passed Sept. 18, 2001: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.340 Violations – Penalties – Enforcement.

A. Any person violating any of the provisions relating to the rate schedules, general provisions and customer service policies governing the sale of electric energy shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine in any sum not exceeding \$1,000.00, or imprisonment for a period not to exceed one year or both such fine and imprisonment; and in addition to the penalty hereinabove provided, the service to the premises of any person found guilty of violating these provisions shall be disconnected. The person violating same shall be liable for all damages resulting and for all energy used by reason of such violation.

B. Whenever the Building Inspector or the Health Officer or the Electrical Inspector shall report in writing to the Director that any building is considered as a structure not fit for human habitation, dangerous to human life or unsanitary, the Director may cause the electric service to be discontinued effective with the date of the evacuation or other order and not to be restored until it has been declared by proper authority that the building is in a satisfactory condition for occupancy.

C. Legal enforcement shall be vested in the Police Department of the City and all prosecutions for violations hereof shall originate in the Police Court of the City of Tacoma. The penalties provided herein are in addition to any civil remedy provided at law.

(Ord. 25460 § 14; passed Mar. 22, 1994: Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.350 Severability.

If any clause, sentence, paragraph, subdivision, section or part of the provisions relating to the rate schedules, general provisions and customer service policies governing the sale of electric energy shall for any reason be adjudged to be invalid, such judgment shall not affect, impair, or invalidate the remainder of the chapter, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

(Ord. 19320 § 2; passed Apr. 6, 1971)

12.06.360 Temporary surcharge rates. *Repealed by Ord. 26848.*

(Ord. 26848 § 21; passed Sept. 18, 2001; Ord. 26785 § 1; passed Mar. 13, 2001; Ord. 26762 § 1; passed Dec. 19, 2000)

12.06.370 Renewable Energy Program.

A. Availability. Available to all customers taking permanent retail metered service to purchase qualified alternative energy resources to purchase on a voluntary basis.

B. Applicability. In compliance with RCW 19.29A.090, Tacoma Power is offering its customers the option to purchase Tacoma Power supplied renewable energy credits. Customer participation is strictly on a voluntary basis. Customers may voluntarily begin or terminate their participation at any time by notifying Tacoma Power of their choice.

C. Rate. The Renewable Energy Premium per kWh of renewable energy purchased under this rate schedule is:
Renewable Energy Premium: \$0.012000 per kWh

D. General Provisions. Base rates and other terms of electric service shall be governed by the rate schedule under which the customer takes primary services. This Renewable Energy Premium rate does not include electric service or electric power. Charges specified under this Renewable Energy Premium Rate Schedule are in addition to the charges specified in the rate schedule under which the customer takes its primary electricity service. The voluntary Renewable Energy program payments, less the costs of program administration, marketing, and renewable energy education, ("Net Renewable Energy Program Revenue"), will be used to purchase qualified alternative energy resources. Subject to the provisions of the ordinances authorizing issuance of Tacoma Power revenue obligations, Tacoma Power shall make available from its budgeted funds, for the purchase or development of new qualified alternative energy resources, an amount equal to the Net Renewable Energy Program Revenue allocated to existing Tacoma Power qualified alternative energy resources.

(Ord. 28422 Ex. A; passed Apr. 4, 2017)

Chapter 12.10

WATER - REGULATIONS AND RATES

Sections:

- 12.10.010 Rules established.
- 12.10.020 Definitions.
- 12.10.030 Water service inside/outside City limits.
- 12.10.035 Ability to supply water within City limits.
- 12.10.040 Application for service.
- 12.10.045 Services and meters.
- 12.10.050 Establishment of service account and request for turn-on.
- 12.10.060 Billing.
- 12.10.110 Turn-on and/or - Unauthorized use.
- 12.10.115 Turn-off, turn-on - Responsibility and liability.
- 12.10.120 Turn-off, turn-on - Condemned buildings.
- 12.10.125 Damage of water service installation.
- 12.10.130 Termination of service.
- 12.10.150 Interruption of service.
- 12.10.170 Ownership of water mains and appurtenances.
- 12.10.180 Operation of private water systems.
- 12.10.200 Private contract charges.
- 12.10.220 Cross connections.
- 12.10.250 Water service construction charges.
- 12.10.275 Property-side (private) in public rights-of-way.
- 12.10.300 Fire hydrant installation and relocation.
- 12.10.301 Fire hydrant services fee (inside City of Tacoma).
- 12.10.302 System capacity flow testing.
- 12.10.303 Franchise hydrant service fee (outside City of Tacoma).
- 12.10.305 Fire hydrant use (non-fire fighting).
- 12.10.310 System development charge ("SDC").
- 12.10.315 Water main charge.
- 12.10.350 Premises not abutting a permanent water main.
- 12.10.400 Rates - Inside and outside City limits.
- 12.10.485 City not liable for damages.
- 12.10.490 Protection of public health.
- 12.10.495 South Tacoma Groundwater Protection.
- 12.10.500 Waivers - By Superintendent.
- 12.10.505 Customer service policies - Additional rules and regulations.
- 12.10.515 Violations - Penalties - Enforcement.
- 12.10.520 Severability.
- 12.10.525 Interference with and/or damage to City water system.

12.10.010 Rules established.

This chapter is established for the regulation of water utility service by the municipal water supply system of the City of Tacoma.

(Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.020 Definitions.

For purposes of this chapter, the following words or phrases shall have the meaning set forth herein below:

"Actual cost" or "cost" of any work performed for any person or other agency or City department by the Division includes the direct cost of all labor plus fringe benefits, the direct cost of all materials plus materials overhead, the direct cost of equipment used in connection with the work, all other direct costs incurred in connection with the work, plus administrative and supervisory cost.

"Accessory dwelling unit" refers to a second subordinate dwelling added to a single-family dwelling on a single parcel of property with provisions for independent cooking, living, sanitation, and sleeping.

"Assessable unit of frontage" is defined as set forth in Chapter 35.44 of the Revised Code of Washington (or as amended).

“Authorized deposit waiver” means an approved option for residential and commercial customers to waive paying a deposit, which is normally required for electric, water, and/or commercial solid waste customers who do not meet the established criteria, as defined in the Tacoma Public Utilities Customer Service Policies. Waiver options are available for home or property owners; customers who are purchasing the property and/or home; and customers who are renting, leasing, or leasing with an option to purchase the property.

“Board” means the Public Utility Board of the Department of Public Utilities of the City of Tacoma.

“CCF” means 100 cubic feet of water (one unit or approximately 748 gallons).

“City” means the City of Tacoma.

“Commercial service” means water service to a business or businesses engaged in the manufacture and/or sale of a commodity or commodities, or the rendering of a service, including hotels, motels, hospitals, and schools.

“Contract business partner” refers to the person or persons who have sole financial responsibility with the City.

“Council” means the City Council of the City of Tacoma.

“County” means the county in which service is being provided.

“Cross connection” is any actual or potential physical connection between a public water system or the consumer’s water system and any source of non-potable liquid, solid, or gas that could contaminate the potable water supply by backflow.

“Customer” means all persons obtaining water service from the Division.

“Customer Service Policies” means the Customer Service Policies for the Division, as may be amended.

“Director” means the Director of the Department of Public Utilities of the City of Tacoma.

“Division” means the Water Division of the Department of Public Utilities of the City of Tacoma, and may also include the Department of Public Utilities.

“Fraud” means any act to deceive or defraud the Division including, but not limited to, false identity, failure to provide verifiable identification or obtaining water service and not making appropriate payments for said service.

“Frontage” refers to “frontage of property served” and shall mean the front footage of property to be served, or the short buildable side (50 LF minimum) abutting the water main. For properties not abutting the main, it shall mean the shortest buildable side (50 LF minimum).

“Industrial service” means water service to a business enterprise engaged in the manufacture of products, materials, equipment, machinery, and supplies on a substantial or major scale.

“Multiple dwelling units” means residential duplexes, triplexes, fourplexes, apartment buildings, condominiums, mobile home parks, trailer courts, or similar types of multiple dwelling unit arrangements on one parcel of land.

“Parks and irrigation service” means water service to a public park or irrigation customer with seasonal use for recreational, landscaping, and horticultural purposes or other similar uses. Irrigation shall include outdoor residential and commercial sprinkler services.

“Person” means all persons and all private and public entities, including districts, cities, towns, counties, and political subdivisions of the state, Native American tribes, partnerships, and corporations, whether acting by themselves or by a servant, agent, or employee. The singular number shall be held and construed to include the plural and the masculine pronoun to include the feminine.

“Premises” means public or private property, home, building, apartment house, condominium, trailer court, mobile home park, a group of adjacent buildings utilized under one ownership on one parcel of property and under a single control with respect to use of water and responsibility for payment therefor.

“Regular working hours” means 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding City holidays.

“Residential service” means water service to a single-family or multi-family dwelling using water for domestic use, or a single-family dwelling permitted to operate a business on the same premises.

“Service installation” means all piping and fittings from the main to and including the water meter assembly. All piping beyond the meter assembly is the customer's responsibility and is not considered a part of the service installation.

“Superintendent” means the Superintendent of the Water Division of the Department of Public Utilities of the City of Tacoma.

“System” means all water source, supply, and quality facilities, transmission pipelines and storage facilities, pumping plants, distribution mains and appurtenances, vehicles, and materials storage facilities.

“Tampering” means to alter, hinder, or obstruct the operation or maintenance of any water facility(ies) and/or their appurtenance(s), or failure to take reasonable care when operating any water facility(ies) and/or their appurtenance(s).

“Temporary water service” means water service obtained from a water main not abutting the parcel served or from a transmission or supply pipeline, or any main 2” or less in diameter.

“Treasurer” means the City Treasurer of the City of Tacoma.

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 27570 § 1; passed Dec. 19, 2006; Ord. 27522 § 1; passed Aug. 29, 2006; Ord. 27299 § 1; passed Dec. 7, 2004; Ord. 26800 § 1; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.030 Water service inside/outside City limits.

These regulations are applicable to the Division and its customers both inside and outside the City limits, except as provided in Section 12.10.400 (Rates - Inside and outside City limits), or as otherwise specifically delineated.

(Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.035 Ability to supply water within City limits.

All persons wishing to construct any residential premises within the City limits shall be supplied with residential service by the Division subject to the provisions of this chapter and pursuant to RCW 19.27.097.

(Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.040 Application for service.

Applications for water service, hydrant permits, and work to be performed by the Division's staff shall be made at the Division's Permit Counter in the Public Utilities Administration Building or at such other place or places as the Superintendent may designate, by the owner or authorized agent. The application, when approved by the Division, shall constitute a contract whereby the applicant agrees as a condition of water service to comply with this chapter and the rules and regulations of the Division referred to in this chapter or as the same may be revised or amended by the Division from time to time.

(Ord. 27522 § 2; passed Aug. 29, 2006; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.045 Services and meters.

Each premises shall be served water by a Division-installed, separate water service and meter.

The Superintendent shall have the right to refuse or discontinue water service in any situation where it is discovered that applicable codes or City standards have not been satisfied.

Each new water service connection shall require payment of the water service construction charge in accordance with Section 12.10.250 and system development charge in accordance with Section 12.10.310. Premises that have not contributed to the cost of a permanent distribution water main shall also pay the applicable water main charge in accordance with Section 12.10.315 or 12.10.350.

(Ord. 26800 § 2; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.050 Establishment of service account and request for turn-on.

A turn-on charge, as set forth in Chapter 12.01 of this code, will establish a service account.

The customer shall be responsible for all charges on the account. The account shall remain active and accrue charges until the customer notifies the Department's Customer Service Section to close or turn off the meter or account, unless the account is delinquent. Water surcharge accounts and fire service accounts cannot be closed without Water Division authorization.

The person establishing a water service account shall be required to make a cash deposit or meet one of the authorized deposit waiver options with the City Treasurer as set under Utility Board resolution. Such deposit may be applied upon delinquent bills owed the City Division and shall be applied to that portion first incurred. A change in the amount of the deposit or security may be required of any customer who changes his or her status of service. The acceptance of a cash deposit or security by the City shall not constitute a bar to the enforcement of the City's lien or termination rights.

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 27522 § 3; passed Aug. 29, 2006; Ord. 26800 § 3; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.060 Billing.

The Director shall cause a bill to be rendered to each customer for water services rendered during the preceding period. The utility bill shall become due and payable at the City Treasurer's office or at such other places designated by the Director, within 15 days from the date an invoice is issued per TMC 12.01.030 and shall become delinquent thereafter. The Water Division shall compute any amounts due under TMC 12.10 by carrying the computation to the third decimal place and rounding to a whole cent using a method that rounds up to the next cent whenever the third decimal place is greater than four. Any invoice that becomes delinquent shall be subject to a late payment fee as set forth in TMC 12.01.030.

(Ord. 28160 Ex. A; passed July 9, 2013; Ord. 28133 Ex. A; passed Feb. 26, 2013; Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 4; passed Aug. 29, 2006; Ord. 26800 § 4; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.110 Turn-on and/or Unauthorized use.

A. If water service, with an established service account, is turned off by the Division for cause and later the water service to said premises is turned on without Division approval, upon discovery, a penalty of \$100 shall be assessed and said water service may be disconnected by the Division at the water main in the street.

B. Unauthorized use and/or tampering with any division appurtenance (except for fire hydrants which are covered in Section 12.10.305) may result in, a penalty of \$500 being assessed. If unauthorized use or tampering involves a water service and/or meter then said service may be disconnected by the Division at the water main in the street. Penalty is in addition to any fees for repair of damages as noted in Section 12.10.125.

Water service will not be reconnected in either subsection A or subsection B above until: (1) payment for all water consumed to date and the monthly meter charges as established or estimated by the division are made to the City; (2) the Division costs incurred related to disconnecting and reconnecting the service pipe are paid; and (3) the Division costs incurred related to repairing customer-caused damages are paid per Section 12.10.125.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 2; passed Dec. 19, 2006; Ord. 27522 § 5; passed Aug. 29, 2006; Ord. 26800 § 5; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.115 Turn-off, turn-on – Responsibility and liability.

The City shall not be liable for any damage to any person or property that may result from the turn-off or turn-on of the water service or from the service being left on when the premises may be unoccupied.

By requesting water service from the City, the customer assumes the responsibility for the flow and use of the water on his or her premises. Therefore, if water is desired to be turned off during remodeling, periods of freezing, or for other reasons, the customer agrees to turn off the water at the valve on his or her premises and the Division's turn-off valve shall not be relied upon for said purposes.

A customer's unpaid water service charges, penalties, and any cost to repair customer-caused damages to the water meter and appurtenances shall be paid at the time of application for turn-on, or a satisfactory arrangement for payment made with the City before water service to the premises is turned on.

(Ord. 26800 § 6; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.120 Turn-off, turn-on – condemned buildings.

Whenever a premises supplied with water has been found by the appropriate authorities to be unsafe, dangerous to human life or unfit for human habitation, and notice of such finding has been received by the Division from said authorities, the Superintendent shall cause the domestic water service to such premises to be turned off. Water service to such premises shall not be restored until the owner and/or agent has secured a release or clearance from said authorities.

(Ord. 27570 § 3; passed Dec. 19, 2006; Ord. 26048 § 1; passed Mar. 25, 1997; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.125 Damage of water service installation or Division facilities.

The contract business partner will be liable to the Division for damages to the water service installation and any damages that are caused directly or indirectly as a result of its actions.

The cost to repair damages shall be paid prior to reconnection as set forth below:

	Effective 1/19/2009
1" Meter & smaller	\$200
1-1/2" Meter & larger	Actual Cost (Time & Material)
Other than Meters (i.e. hydrant, main, blowoff)	Actual Cost (Time & Material)

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 4; passed Dec. 19, 2006: Ord. 27522 § 6; passed Aug. 29, 2006)

12.10.130 Termination of service.

Delinquency and nonpayment of one or more water service charges or customer-caused damage to the water meter and appurtenances shall be sufficient cause for termination of service by turning off the water service or reducing the flow of water to the premises. Water service shall not be turned on again until all costs incurred by the Division, plus charges and penalties are paid, or satisfactory arrangements for payment of delinquent charges and penalties has been made with the Division.

In accordance with Section 12.10.495, the Superintendent may discontinue water service to a customer determined to be in violation of the applicable provisions of the South Tacoma Groundwater Protection District (TMC 13.09).

Upon discovery of fraud, water service shall be terminated immediately and shall not be restored until the matter is resolved satisfactory to the Superintendent, or his or her designee.

All charges for water or water service shall be the personal obligation of the customer applying for or signing for and/or receiving such service and, in addition thereto, the City shall have all the lien rights granted by state laws against the premises where such service is furnished. The Superintendent shall have the absolute authority, except as limited by said state laws, to refuse to furnish service to, to discontinue service to, or to refuse to resume service to any applicant or customer on account of the failure to pay delinquent bills owing the City by such person, whether such bills cover service at the premises sought to be served or other locations.

In addition to the other authority in this chapter (or other laws) to discontinue water service or reduce flow to a customer, the Superintendent, or his or her designee, is hereby authorized to discontinue or reduce flow to a customer's premises when the customer fails to make a cash deposit or meet one of the authorized deposit waiver options with the City Treasurer as approved by Utility Board resolution.

Except as set forth in TMC 12.10.130 and 12.10.150, termination of water service to a premises shall not occur until:

1. The City has provided or attempted to provide the customer reasonable notice of the intent to terminate water service; and
2. The customer has been offered the opportunity of a hearing before a hearing officer, with the exception of Health Department directed orders which are undisputable.

Reasonable notice may be accomplished by mailing such notice to the customer using the United States Postal Service.

(Ord. 27570 § 5; passed Dec. 19, 2006: Ord. 27522 § 7; passed Aug. 29, 2006: Ord. 27299 § 2; passed Dec. 7, 2004: Ord. 27024 § 1; passed Dec. 10, 2002: Ord. 26800 § 7; passed Apr. 10, 2001: Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.150 Interruption of service.

A. In case of emergency, risk of damage to property, either public or private, or whenever public health, safety, or equitable distribution or conservation due to water shortage demands, the Director or Superintendent may authorize the Division to change, reduce or limit the time for, or temporarily discontinue the use of water for any or all customers. The water service may also be temporarily interrupted during the time necessary for purposes of making repairs, extensions, or doing other necessary work on the system. Before so requiring the changing, reducing, limiting or temporary discontinuance of the use of water, the Division will attempt to notify, insofar as practicable, all water customers affected. The City shall not be responsible for any damage resulting from any interruption, change, or failure of the water supply.

B. The Public Utility Board is authorized to approve, adopt, and/or amend a Water Shortage Response Plan ("Plan") applicable to all classes of customers, which Plan is consistent with the standards in this section. Any person who violates the adopted Plan or directives issued pursuant to the Plan, including a wholesale customer who fails to adopt similar use limitations, shall be subject to immediate reduction or discontinuance of service by the Division without notice or a hearing opportunity. All Water Shortage Response Plans previously adopted by the Public Utility Board are hereby approved and ratified.

(Ord. 27522 § 8; passed Aug. 29, 2006: Ord. 27299 § 3; passed Dec. 7, 2004: Ord. 26800 § 7; passed Apr. 10, 2001: Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.170 Ownership of water mains and appurtenances.

The Division shall own, operate, and maintain all Division approved and accepted water mains and related appurtenances in established city, county, and state rights-of-way or other utility rights-of-way, including recorded easements. Any person responsible for the construction of such mains and related appurtenances shall transfer ownership to the Division upon final acceptance. No one may operate, remove, change, or connect to any part thereof without the approval of the Division.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 9; passed Aug. 29, 2006; Ord. 27299 § 4; passed Dec. 7, 2004; Ord. 26800 § 8; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.180 Satellite system management.

The Division may operate and maintain private distribution mains and other water system components outside of its service area in conjunction with its own facilities, provided an approved agreement has been entered into between the Division and the owners of such mains and components.

(Ord. 26800 § 9; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.200 Private contract charges.

Extension of a permanent water main may be constructed by private contract. The developer of the privately financed project will be responsible for all costs and expenses incurred by the Division for preparation of plans and specifications, construction inspection, testing, flushing, sampling of the mains, and other related work necessary to complete the new water main construction to Division standards and specifications. The engineering charge for the preparation of plans and specifications will be estimated by the Division and will include all applicable permit fees. The developer will be required to pay a deposit in the amount of the estimated cost and sign an agreement acknowledging that they are responsible to pay all actual time and materials costs associated with the project. The actual costs for the work will be billed against the developer's deposit. Should the actual costs for engineering the project exceed the deposit amount; the developer will be required to pay the balance prior to receiving the plans and specifications. Prior to construction, a second deposit in the estimated amount for construction inspection, testing, sampling and hydrant painting will be due to the Division. Upon completion of the project, the developer will either be refunded the unused amount of the deposit or billed for the cost overrun. Included in the deposits described above is a \$50 per fire hydrant in the project for painting.

The developer will be responsible for protecting Division facilities, including yokes and boxes, until final acceptance by the Division. After final acceptance of the project, the responsibility for the stub, yoke, box, and meter will belong to each property owner who will be charged accordingly for any damage.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 10; passed Aug. 29, 2006; Ord. 27024 § 2; passed Dec. 10, 2002; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.220 Cross connections.

The installation or maintenance of any uncontrolled cross connection that may endanger the quality of the public water supply of the City is prohibited. Any such cross connection now existing or hereafter installed is hereby declared unlawful and shall be abated immediately. The control and/or elimination of cross connections shall be in accordance with the applicable sections of the Washington Administrative Code ("WAC") the Tacoma Municipal Code, and the Policies and/or procedures approved by the Division. Failure to comply with Division cross connection control requirements may result in a penalty of \$100 per occurrence, installation of an approved backflow prevention assembly at the water meter at the expense of the customer, and/or termination of water service. For purposes of this section, an occurrence is defined as failure to install, test, repair, and/or replace a required backflow prevention assembly upon written notification by the Division. Responsibility for backflow assembly testing and payment of all penalties and/or fees are the responsibility of the customer receiving the water service per the Division's utility account billing information. These penalties are intended for remedial purposes.

1. Application of civil penalties may be repeated until compliance is achieved up to a maximum of five penalties.
2. The Customer shall be given written notification by the Division:
 - a. Prepared and sent by first-class mail to the Person receiving the water service per the Division's utility account billing information; or
 - b. Personally served upon the Person receiving the water service per the Division's utility account billing information; or
 - c. Posting of the written notice on the Parcel in a conspicuous manner which is likely to be discovered.
3. The Customer shall be given a minimum of 14 calendar days to respond or comply with Division requirements prior to each penalty.

The Division will assign a test due date for each backflow prevention assembly and will make every effort to provide notice to the customer of the testing due date. Annual backflow assembly testing will be required by the Division established due date regardless of the actual date previous tests were performed.

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 11; passed Aug. 29, 2006; Ord. 26800 § 11; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.250 Water service construction charges.

All water service installations shall be constructed by the Division. For all service installations, the owner or applicant shall pay in advance the fixed charge or a deposit in the amount of the Division's estimated cost for the proposed work. For all estimated work the requestor will be required to sign a time and materials agreement noting their acceptance of the responsibility to pay the actual charges. The amount charged for work performed on an estimated basis will be actual costs to the Division, including overhead cost of installation of Automated Meter Reading ("AMR") equipment when applicable. If the actual cost is less than the estimated cost, the customer will be refunded the difference. Should the cost of the installation exceed the deposit amount, the additional amount will be billed to the customer that signed the time and materials agreement accepting the responsibility for actual charges. Failure to pay charges may result in, but not be limited to, termination of water service.

All required City, county, state, and/or other permits and fees are in addition to the charges listed below.

A. Water service construction charges on existing mains shall be as set forth below. In extraordinary circumstances where the Division determines that the fixed charges are not adequate to cover the actual costs, the water service construction charge will be based upon actual costs to the Division, including overhead and taxes.

	Effective 1/19/2009
3/4-inch" Service & 5/8-inch" Meter	\$2,325
3/4-inch" Service & 3/4-inch" Meter	\$2,400
1-inch" Service & 5/8-inch" Meter	\$2,400
1-inch" Service & 3/4-inch" Meter	\$2,450
1-inch" Service & 1-inch" Meter	\$2,550
Meter exchange from 5/8" to 3/4"	\$625
Meter exchange from 3/4" to 5/8"	\$325

Service construction charges for services larger than 1-inch will be estimated based upon actual costs to the Division, including overhead. Service construction charges for water meters 3-inches and larger, or as required by the Division, will include the cost of installation of AMR equipment in accordance with the most current requirements. AMR is also required on all wholesale meters.

All services and meters applied for shall be installed within two years of the application. Those customers who have not requested their water service and meter be installed within the two-year period will be required to pay the difference in all current charges and the charges paid at time of application, including the system development charge ("SDC").

Where a service stub was previously installed at the option of the Division, activation of that service shall require payment of all current fees and charges including service construction charge in effect at the time of application for service.

B. Installation of Services and Meters on New Mains. Domestic service for residential will require the installation of 3/4-inch services and 5/8-inch meters. The developer requesting services and meters for use other than domestic service for residential will be required to provide additional information on the proposed use. Plan review will be required to determine sizing requirements.

Stub Only	Effective 1/19/2009
a. 3/4-inch Service stubs installed after successful samples and pressure tests.	\$750/service
b. 1-inch Service stubs installed after successful samples and pressure tests.	\$800/service
Meter, Yoke and Box	Effective
a. 5/8-inch Meter, yoke and box installed when requested.	\$400/meter plus the SDC
b. 3/4-inch Meter, yoke and box installed when requested.	\$450/meter plus the SDC
Meter Only	Effective 1/19/2009
a. 5/8-inch Meter installed when requested	\$175/meter plus the SDC
b. 3/4-inch Meter installed when requested.	\$225/meter plus the SDC

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 6; passed Dec. 19, 2006; Ord. 27522 § 12; passed Aug. 29, 2006; Ord. 27299 § 5; passed Dec. 7, 2004; Ord. 27024 § 5; passed Dec. 10, 2002; Ord. 26800 § 12; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.275 Property-side (private) in public rights-of-way.

A. When a customer requests a service and meter installation for a property not abutting a water main and the public entity having jurisdiction over the right-of-way does not allow privately owned water lines in the right-of-way then the customer must obtain easements from the adjacent property owners for installation of their property side pipe. Recorded copies of said easements must be provided to the Division before installation of the requested service and meter can occur.

Where a public entity requires that a customer's existing property-side (private) pipes be removed from public rights-of-way, the following four options are available to the customer:

1. The customer may arrange for a private contractor to install a new water main in the right-of-way using the private contract process noted in Section 12.10.200. The main would be designed by the Division and installed by the contractor, at the expense of the customer. Following the construction of the water main in the right-of-way, the customer's service and meter will be transferred to the new main at no charge.
2. The customer may organize with adjacent property owners to form a Local Improvement District ("LID") to install a new water main in the right-of-way. The design and construction process is similar to Option 1 above, but the project is financed and repaid over time through the Division, through the LID process.
3. The customer may obtain easements from adjacent property owners to allow relocation of its property-side (private) pipes out of the right-of-way into the easement obtained. In this option, the customer must provide verification to the Division that the easement has been recorded prior to the installation of the service and meter.
4. The Customer may arrange for the Division to design and install the necessary water main and appurtenances using the time and materials process. The Division will estimate all costs associated with design and construction of the proposed water main and appurtenances and the customer will be required to make a deposit in the estimated amount. If the final costs are more than the estimate the customer will be required to pay the balance, if the costs are less the difference will be refunded.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 7; passed Dec. 19, 2006; Ord. 27522 § 13; passed Aug. 29, 2006)

12.10.300 Fire hydrant installation and relocation.

Fire hydrant installation and/or relocation shall be performed by the Division at the customer's expense. A deposit shall be paid to the Division in the amount of the Division's estimate of the cost to install or relocate a fire hydrant. If the actual cost is less than the estimated cost, the customer will be refunded the difference. Should the cost of installation exceed the deposit amount, the customer will be billed the additional amount.

All costs to acquire the necessary City, county, state, and/or other permits to accomplish the installation or relocation are in addition to the above costs.

(Ord. 27522 § 14; passed Aug. 29, 2006; Ord. 27299 § 6; passed Dec. 7, 2004; Ord. 27024 § 4; passed Dec. 10, 2002; Ord. 26800 § 13; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.301 Fire hydrant services fee (inside City of Tacoma).

Pursuant to Chapter 70.315 of the Revised Code of Washington, the Water Division will charge and collect all costs associated with providing fire hydrant services inside the City of Tacoma from the City of Tacoma general government and

the customers, "Residential Service," "Commercial and Industrial – General Service," and "Commercial and Industrial – Large Volume Service" rate categories, located inside the City following the rate schedules below:

Monthly Hydrant Service Fee		
	Commencing	
	4/1/2017	1/1/2018
Inside City of Tacoma Customer	\$2.38	\$2.54

The inside City of Tacoma customer portion of the fire hydrant service fee shall be calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies.

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 28286 Ex. A; passed Mar. 17, 2015; Ord. 28133 Ex. A; passed Feb. 26, 2013; Ord. 27970 Ex. A; passed Feb. 1, 2011)

12.10.302 System capacity flow testing.

To determine the capacity of a water system at a particular location for the purpose of a supply for automatic fire sprinkler systems or for other reasons, the Division can conduct a fire flow test using two (2) or more fire hydrants. The fire flow test shall be conducted by the Division upon request and after payment of a fee in the amount of \$350. The fee shall cover the cost of performing the flow test and any necessary system cleanup created by the increased water velocities during the test.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 15; passed Aug. 29, 2006)

12.10.303 Franchise hydrant service fee.

Pursuant to the Washington State Supreme Court decision in *City of Tacoma v. City of Bonney Lake*, 173 Wn.2d 584 (2012) and Chapter 70.315 of the Revised Code of Washington, all costs associated with providing fire hydrant services in areas served through franchise agreements or other contract shall be charged and collected from ratepayers in these areas as a cost of doing business. Only those customers in the "Residential Service," "Commercial and Industrial – General Service," and "Commercial and Industrial – Large Volume Service" rate categories will be charged for these services. The total costs owed shall be calculated on a biennial basis as part of the Water Division's approved budget and distributed to customers via a monthly service fee. The service fee is composed of two components calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies:

1. a "historical service component" that is a temporary amortized recovery of historical service provided but not previously billed to customers outside the City of Tacoma during the time the *City of Tacoma v. City of Bonney Lake* case was litigated, with said component applying only to customers in the affected areas outside the City of Tacoma; and
2. an "ongoing service component."

Monthly Hydrant Service Fee (Historical Service Component)		
	Commencing	
	4/1/2017	1/1/2018
Outside City, other contract	\$1.90	\$1.90

Monthly Hydrant Service Fee (Ongoing Service Component)		
	Commencing	
	4/1/2017	1/1/2018
Outside City, other contract	\$3.06	\$3.23

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 28286 Ex. A; passed Mar. 17, 2015; Ord. 28133 Ex. A; passed Feb. 26, 2013)

12.10.305 Fire hydrant use (non-fire fighting).

When water service is supplied through the use of a fire hydrant, other than for fire fighting, the proposed use must be disclosed and a permit must be obtained from the Division authorizing the hydrant use. A charge for all costs associated with hydrant and water usage shall be collected by the Division. A fire hydrant meter or a water service and meter may be required under certain circumstances as determined by the Division.

The use of the Division's hydrant without a current permit, using a restricted hydrant or failing to conform to the Division's hydrant operating procedures will result in a penalty of \$1,000 in addition to all other hydrant use charges. Refusal to pay the

penalties and charges may be cause for the Division to refuse future hydrant use by the violator and/or discontinue service to the benefited premises.

Persons using a fire hydrant will be responsible for all damages to Division facilities and/or other private facilities that may result from the use of said hydrant. If the person refuses to pay the cost for all damages associated with fire hydrant use, the Division may refuse future service to the customer and/or discontinue water service to the benefited premises.

Applications for fire hydrant use for periods greater than six consecutive months for the purpose of supplying water to a business may require the business to purchase a water service connection of adequate size to accommodate the proposed water usage as determined by the Division. Water service construction charges, SDC, and main charges shall be as specified in TMC 12.10.250, 12.10.310, and 12.10.315.

Fire hydrant use permits in Category 1 and 2 are good for a maximum of one year or until the backflow protection documentation expires, whichever comes first. Upon expiration a new permit application will be required and a new permit fee is due. Hydrant Permit charges will be as follows:

HYDRANT USE CATEGORY AND FEE SCHEDULE

Category	Fee
Category #1 ** Fixed (Single) Site Construction Project	Permit Fee \$100 Meter Deposit for Hydrant \$1,000* Permittee is required to submit meter reads on a monthly basis. Monthly Water Use Charge at the Inside/Outside Commercial Rate plus the Ready to Serve Charge for a 2-Inch Meter Penalty for Unauthorized Use \$1,000
*Deposit to be refunded by the Division after return of the meter and appurtenances. All costs for hydrant and/or meter repairs/replacement caused by improper operation or theft of said equipment shall be deducted from the deposit. Refund of deposit will be initiated after payment of closing/final water bill. Costs exceeding the deposit amount will be billed to customer. ** Subcontractor would be allowed to use same permit as general contractor provided subcontractor meets all cross-connection requirements and name is disclosed at issuance of permit.	
Category #2 *Multiple-Site Hydrant Use (Approved Hydrant Locations)	Permit Fee \$100 Monthly Water Use Charge at the Inside/Outside Commercial Rate (based on estimated consumption**) plus the Ready to Serve Charge for a 2-inch Meter Penalty for Unauthorized Use \$1,000
*Subcontractor would be allowed to use same permit as general contractor provided subcontractor meets all cross-connection requirements and name disclosed at issuance of permit. **Both general and subcontractors are required to submit a monthly log sheet of estimated water consumption per truck	
Category #3	
Short-Term (one day and minimal) Use	\$50 per truck per day* Penalty for Unauthorized Use \$1,000
*Approved hydrant only	

A Division-approved backflow protection assembly shall be installed by the person requesting the use of a fire hydrant. The assembly shall be accompanied by a current backflow assembly test report. The test report shall remain on the site for the duration of the hydrant use. The Division reserves the right to terminate any hydrant permit at any time for security and/or water quality control reasons.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 16; passed Aug. 29, 2006; Ord. 27299 § 7; passed Dec. 7, 2004; Ord. 27024 § 5; passed Dec. 10, 2002)

12.10.310 System development charge ("SDC").

A. A system development charge ("SDC") shall be levied for each new water service connection to the City water system, for a service upgrade requiring a larger meter, or for any existing service with 3-inch and larger meters that exceeds 150 percent of their highest maximum annual daily average water use. The SDC fee is based on an equitable share of the cost of the entire existing water system and future facilities necessary to accommodate projected growth. This fee is established pursuant to RCW 35.92.025, the City Charter, and this chapter. SDCs are considered contributions for or in aid to construction, and shall

be accounted for accordingly. Customer water consumption amounts on and after May 9, 1999, the original effective date of Ordinance No. 26408, will be examined to determine whether additional SDC amount is owed to the Department.

B. For retail meters 5/8-inch through 2-inches, the charge will be based on customer class and meter size.

For meters larger than 2-inches, the SDC shall be determined based on the customer's anticipated water use as shown below:

Meter Size	Inside City Residential Charges		Inside City Commercial/Industrial Charges	
	Effective			
	1/1/2003	1/1/2004	1/1/2003	1/1/2004
5/8-inch	\$1,443	\$1,485	\$1,928	\$1,984
3/4-inch	2,166	2,229	2,894	2,978
1-inch	3,610	3,715	4,823	4,963
1-1/2-inch	7,218	7,427	9,647	9,927
2-inch	11,548	11,883	15,433	15,881
3-inch & Larger	Individually calculated based on consumption			

Meter Size	Outside City Residential Charges		Outside City Commercial/Industrial Charges	
	Effective			
	1/1/2003	1/1/2004	1/1/2003	1/1/2004
5/8-inch	\$1,732	\$1,782	\$2,315	\$2,382
3/4-inch	2,599	2,674	3,473	3,574
1-inch	4,330	4,456	5,786	5,954
1-1/2-inch	8,661	8,912	11,575	11,911
2-inch	13,860	14,262	18,520	19,057
3-inch & Larger	Individually calculated based on consumption			

The SDC for a multiple family dwelling unit arrangement to be served by a single meter shall be calculated by taking the number of units in the premise and multiplying by 60 percent of the SDC for a single-family dwelling (5/8-inch meter). If said premise chooses in the future to separately meter each premise the additional 40 percent of the SDC for a single-family dwelling (5/8-inch meter) shall be due and payable at

For meters 3-inches and larger, estimates of anticipated average day use, peak day, and four-day maximum water use will be determined by the Division. Peak day is defined as the maximum 24-hour use during summer months of June through, and including, September. Four-day maximum use is defined as the average use per day of the four highest consecutive days of the customer's water use in the summer months. For inside City customers, the average day SDC cost is \$2.64/gallon (effective 1/1/04). The peak day SDC cost is \$0.28/gallon (effective 1/1/04). The four-day maximum SDC cost is \$2.36/gallon (effective 1/1/04). For outside City customers, the average day SDC cost is \$3.17/gallon (effective 1/1/04). The peak day SDC cost is \$0.34/gallon (effective 1/1/04). The four-day maximum SDC is \$2.83/gallon (effective 1/1/04).

The SDC will be the sum of the average day use multiplied by the average day cost/gallon, the peak day use minus average day use multiplied by the peak day cost/gallon, and the four-day maximum use minus average day use multiplied by the four-day maximum cost/gallon.

As of April 23, 2001, the SDC paid for meters 3-inches and larger will be adjusted annually based on actual usage. If usage is greater than 110 percent of the anticipated average, peak day or four-day maximum use during a 12-month period of time, an additional SDC will be charged, using the same methodology for calculating average day, peak day, and four-day maximum water use and multiplying by the respective SDC cost per gallon in effect at the time of adjustment. This requirement for an additional SDC may be waived upon satisfactory demonstration by the customer that the increased water use was temporary in nature and will return to the originally anticipated level.

C. SDC Exemptions:

1. New water service connections dedicated exclusively for fire protection purposes shall be exempt from payment of the SDC. The conversion of a dedicated fire service to a service for use other than exclusively for fire protection shall require the payment of the SDC as provided for in subsection B above.
2. The Division requires that all new single family dwelling residential combination domestic/fire sprinkler service and meters be served by a 1-inch service and 3/4-inch meter. If a larger size meter is required for fire protection the customer must install separate fire service and domestic services. The customer is required to pay all fees to construct said 1-inch service and 3/4-inch meter and all applicable main charges. When such use is documented through the plan review process, the SDC for a 5/8-inch meter will apply. The monthly customer charge will be at the standard charge for a 3/4-inch meter as set forth in TMC 12.10.400.
3. If a residential customer has an existing 3/4-inch x 5/8-inch service and meter an exchange to a 3/4-inch meter will be allowed if the customer's fire protection engineer determines it will provide adequate flow. All applicable fees will apply. If flow tests after the meter exchange show inadequate flow the customer will be required to pay the additional fees to retire the 3/4" service and install a new 1" service. Residential customers requesting an upgrade to an existing meter to a 3/4-inch meter for a combination domestic/fire sprinkler service will be exempt from payment of the additional SDC when such use is approved through the plan review process. The monthly customer charge will be at the standard charge for a 3/4-inch meter as set forth in TMC 12.10.400.
4. Customers who are requesting a separate water service connection and are being provided with water service by way of another Division customer (i.e., multi-premises connection), shall be exempt from payment of the SDC if:

Billing record exists showing multi-premise rate for each premise on meter.

All premises served by meter of record were constructed prior to October 7, 1991.

D. Existing Facilities:

1. Multiple dwelling unit arrangements currently being served by a single meter shall be exempt from payment of the SDC when changing to separate water service connections for each unit if the original meter was installed prior to October 7, 1991. If the existing meter was installed after October 7, 1991, the customer will be required to pay the 40 percent differential for each individual meter installed as noted in B above.

E. Credit policy for retail customers previously or currently metered:

1. When a request or requirement for a larger meter is made, an SDC credit for the existing meter will be made. The credit for meters up to 2-inches will be the current published SDC amount using the rate in place prior to the requested or required up-sizing. For meters 3-inches and larger, the credit would be calculated based on 150 percent of the highest maximum annual daily average water use derived from billing records. If billing records are not available for a specific meter, the SDC credit calculation will be based on a system-wide use data for that size meter.
2. For situations where meters 3-inches or larger exist and water use will increase, but no change in the meter is required, an SDC will not be required unless the projected use is more than 150 percent of historical use. If the projected use exceeds the 150 percent historical use quantity, an SDC will be calculated for the quantity of water in excess of the 150 percent figure. Prior written commitments to deliver a specific quantity of water, if greater than 150 percent of historical use, will be honored.
3. Credit shall be given for inactive or previously removed meters that can be verified by Division records. The credit will be determined as stated in subsection E.1 above.

Multiple dwelling unit arrangements – Credit for existing multiple dwelling unit meters shall be calculated at 60 percent of the applicable 5/8-inch meter rate per unit and applied to the required SDC if previously served by a single meter.

4. Credits as computed will be subtracted from the determined SDC amount. If an available credit exceeds the SDC amount, the balance shall remain with the parcel previously receiving water service. No refunds shall be allowed for the amount of this credit.
5. All SDC credits are non-transferable unless parcels are combined to facilitate redevelopment.
6. This section is not applicable to the Pulp Mill's existing services.

F. For wholesale meters, as sized by the Division, the SDC will be determined based on the customer's anticipated water use.

1. Estimates of anticipated average day use, peak day, and four-day maximum water use will be submitted to and approved by the Division. Peak day is defined as the maximum 24-hour use during summer months of June through, and including, September. Four-day maximum use is defined as the average use per day of the four highest consecutive days of water use in

the summer months. The average day SDC cost is \$3.17/gallon (effective 1/1/04). The peak day SDC cost is \$0.34/gallon (effective 1/1/04). The 4-day maximum SDC cost is \$2.83/gallon (effective 1/1/04).

The SDC will be the sum of the average day use multiplied by the average day cost/gallon, the peak day use minus average day multiplied by the peak day cost/gallon, and the four-day maximum use minus average day multiplied by the four-day maximum cost/gallon.

The SDC, as of the effective date of this ordinance, will be adjusted annually based on actual usage. If usage is greater than 110 percent of the anticipated average, peak day or four-day maximum use during a 12-month period of time, an additional SDC may be charged using the same methodology for calculating average day, peak day, and four-day maximum water use and multiplying by the respective SDC cost per gallon in effect at the time of adjustment. This requirement for an additional SDC may be waived upon satisfactory demonstration by the customer that the increased water use was temporary in nature and that water use will return to the originally anticipated level.

2. For situations where an existing wholesale customer is increasing its purchase of water, SDC credit for existing service will be based on either maximum historic use or prior written commitments to deliver a specific quantity of water, whichever is greater.

G. SDCs for meters 2-inches and smaller are payable in full at the time the meter installation is requested. Time payments will be allowed for SDCs for meters 3-inches and larger, for up to ten years, at the discretion of the customer, as follows:

1. When a down payment of 20 percent or more is initially paid, the Division will accept annual payments, with interest, on the unpaid balance calculated using the then current prime rate of interest less 2 percent.
2. When a down payment of at least 10 percent, but less than 20 percent, is initially paid, the Division will accept annual payments, with interest, on the unpaid balance calculated using the then current prime rate of interest.
3. The time payment agreements shall provide that this obligation constitutes a lien on the benefited premises and that the City has the right to terminate water service for any nonpayment of the amounts due on the outstanding balance. In addition, unless the customer is a financially stable public entity, the customer shall be required to provide security such as a financial guarantee bond to guarantee payment of the SDC or make incremental prepayments of the SDC plus interest on the balance of the outstanding total amount of the SDC.

H. Rate Adder to Recover Capital Costs Not Covered by the SDC. In addition to paying the SDC set forth in this section, a customer who proposes to use water for a new or enlarged power plant, and who does not use best available water conservation technology (BAWCT), shall be required to pay, in addition to the applicable water rate, an adder to such rate in accordance with the Division's Customer Service Policy for New Power Plants. The adder shall be calculated to recover over a period of 20 years a portion of the capital costs that are not covered by the SDC for such customer. This present value of the adder (spread over 20 years) will be equivalent to an SDC on that portion of the customer's water consumption that is in excess of the amount of water the customer would have consumed had BAWCT been used. Said customers shall also be required to enter into a water service agreement with the Division, and such agreement shall be submitted to the Public Utility Board for approval.

(Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 28286 Ex. A; passed Mar. 17, 2015; Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 8; passed Dec. 19, 2006; Ord. 27522 § 17; passed Aug. 29, 2006; Ord. 27299 § 8; passed Dec. 7, 2004; Ord. 27024 § 6; passed Dec. 10, 2002; Ord. 26872 § 1; passed Nov. 6, 2001; Ord. 26800 § 14; passed Apr. 10, 2001; Ord. 26408 § 1; passed Apr. 27, 1999; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.315 Water main charge.

Where all or a portion of the premises to be served has not been previously assessed or contributed its share towards the cost of installing a permanent distribution main to serve such premises, or the property does not abut a distribution water main, water service shall be provided upon payment of a water main charge as provided for in this section, in addition to a water service construction charge, in accordance with TMC 12.10.250 and the SDC in accordance with TMC 12.10.310.

If the main is a temporary main and is not acceptable for meeting the water requirements of the customer, the service will be installed and connected to the nearest water main that is acceptable in accordance with TMC 12.10.350, Water main charge - Premises not abutting a water main. If the temporary main is a supply or transmission pipeline, the water service will be installed in accordance with the Customer Service Policies (Direct Service From Supply and Transmission Pipelines).

Credit shall be given for the portion of the property which has been previously assessed or has contributed its share toward the cost of installing a permanent water main. Water main charge shall be based on the frontage of the property served, as determined by the Division, in accordance with the following schedule and subject to the following terms and conditions:

A. Residential Service.

The water main charge shall be based on the frontage of the property served. The minimum charge shall be based on 50 front feet and the maximum charge on 100 front feet.

Commencing 1/1/2007
\$50/per front foot

B. Commercial Service.

Where the property is zoned for the same, the water main charge shall be based on the entire frontage of the property served. The minimum charge shall be based on 50 front feet.

Commencing 1/1/2007
\$50/per front foot

C. Industrial Service.

Where the property is zoned for the same, the water main charge shall be based on the entire frontage of the property served. The minimum charge shall be based on 50 front feet.

Commencing 1/1/2007
\$55/per front foot

D. Water main charges for services abutting a permanent main shall be considered revenue of the Division.

The water main charge herein above provided for shall be credited to and considered as a benefit to the specific property served by said connection. Said property so benefited shall be described and recorded as a part of the Division's permanent records pertaining thereto.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27522 § 18; passed Aug. 29, 2006; Ord. 27299 § 9; passed Dec. 7, 2004; Ord. 26800 § 14; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.350 Premises not abutting a permanent water main.

Where the premises to be served is not abutting a permanent water main (as described in the Customer Services Policies) and said premises owner has not previously paid a water main charge, the water service connection will be constructed by the Division to the nearest available temporary or permanent water main that is acceptable for meeting the water requirements of the customer upon application and payment of a temporary water main charge as provided for in TMC 12.10.315 in addition to a service construction charge, in accordance with TMC 12.10.250 and the SDC in accordance with TMC 12.10.310. The water main charge shall be paid to the Division in accordance with and subject to the same terms and conditions as detailed in TMC 12.10.315 above.

All water main charges received where no main abuts subject parcel shall be deposited by the City in the Water Main Deposit Fund and shall be credited to and considered as a benefit to the specific property served by said connection. The property so benefited shall be legally described and recorded as part of the Division's permanent records pertaining thereto.

When a public road is improved or resurfaced by a person where there is currently no water main or said public road has a temporary water main as defined in the Customer Service Policies, it shall be the person's responsibility to extend the water main/system to the extent of the road improvements or to a point that meets the approval of the Division. Said water main/system may be extended using the private contract process, TMC 12.10.200, or by the LID process as set forth in RCW 35.44, and Division standards.

If a permanent water main exists or is being constructed between the existing service and the specific benefited property, said service may be relocated to the permanent main at a point closer to the benefited property at no charge, provided the owner reroutes its property-side water pipe between the new meter location and the property.

Upon the installation of permanent mains, the main charge collected by the City shall be applied toward the payment for said mains for the benefit of the properties in accordance with Division records. The temporary water service will be relocated by the Division to the permanent main abutting the benefited property at no charge. The owner must reroute its property-side water pipe between the new meter location and the property and make the connection. If the property owner does not agree to relocate its property-side water pipe at the time of main installation and requests a service relocation at a later date, the work will be done at the expense of the property owner.

(Ord. 27522 § 19; passed Aug. 29, 2006; Ord. 27299 § 10; passed Dec. 7, 2004; Ord. 26800 § 15; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.400 Rates – Inside and outside City limits.

The standard charge for water supplied inside and outside the City for residential, and commercial/industrial use shall consist of a customer charge, also termed a “monthly ready to serve charge,” based on the meter size together with the rate for the quantity of water used.

For water supplied to a single premises which contains multiple dwelling units, i.e., two or more houses under the same ownership, duplexes, apartment buildings, condominiums, mobile home parks, trailer courts, industrial buildings, etc., the monthly charges will be the same as indicated above.

When water is being supplied to an existing multiple premises, i.e., two or more separate premises being served by one service and meter, the “monthly ready to serve charge” will be based on either the existing meter size or on a 5/8-inch meter size for each premises served, whichever is the greater charge.

When more than one service supplies a premises, the consumption of water for each meter shall be computed separately.

A. Standard charges:

1. The monthly ready to serve charge shall be calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies in accordance with the following schedule for residential, commercial/industrial, and commercial/industrial large volume.

Ready to Serve Charge				
Meter Size (Inches)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
5/8	\$21.20	\$22.05	\$25.44	\$26.46
3/4	\$31.80	\$33.08	\$38.16	\$39.70
1	\$53.00	\$55.13	\$63.60	\$66.16
1.5	\$106.00	\$110.25	\$127.20	\$132.30
2	\$169.60	\$176.40	\$203.52	\$211.68
3	\$318.00	\$330.75	\$381.60	\$396.90
4	\$530.00	\$551.25	\$636.00	\$661.50
6	\$1,060.00	\$1,102.50	\$1,272.00	\$1,323.00
8	\$1,696.00	\$1,764.00	\$2,035.20	\$2,116.80
10	\$2,438.00	\$2,535.75	\$2,925.60	\$3,042.90
12	\$3,577.50	\$3,720.94	\$4,293.00	\$4,465.13

The monthly ready to serve charge shall be in accordance with the following schedule for parks and irrigation.

Parks and Irrigation Ready to Serve Charge				
Meter Size (Inches)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
5/8	\$17.67	\$14.70	\$21.20	\$17.64
3/4	\$26.50	\$22.05	\$31.80	\$26.47
1	\$44.17	\$36.75	\$53.00	\$44.11
1.5	\$88.33	\$73.50	\$106.00	\$88.20
2	\$141.33	\$117.60	\$169.60	\$141.12
3	\$265.00	\$220.50	\$318.00	\$264.60
4	\$441.67	\$367.50	\$530.00	\$441.00
6	\$883.33	\$735.00	\$1,060.00	\$882.00
8	\$1,413.33	\$1,176.00	\$1,696.00	\$1,411.20
10	\$2,031.67	\$1,690.50	\$2,438.00	\$2,028.60
12	\$2,981.25	\$2,480.63	\$3,577.50	\$2,976.75

2. The schedule of rates for water used shall be as follows and billed to the nearest CCF (100 cubic feet or approximately 748 gallons):

Residential Service				
	Rate per CCF			
Range in CCF (100 cubic feet)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
Winter Tier: For each CCF of water consumption during the winter months of October through and including May	\$1.825	\$1.895	\$2.190	\$2.274
Summer Tier 1: For the first five CCF of water consumption per month during the summer months of June through and including September	\$1.825	\$1.895	\$2.190	\$2.274
Summer Tier 2: For each CCF of water consumption over five CCF during the summer months of June through and including September	\$2.281	\$2.369	\$2.738	\$2.843

Commercial and Industrial - General Service				
	Rate per CCF			
Range in CCF (100 cubic feet)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
For each CCF of water consumption	\$2.032	\$2.123	\$2.438	\$2.548

Commercial and Industrial - Large Volume Service.				
Customers may qualify for this rate based on an established consumption history greater than 65,000 CCF annually.				
Range in CCF (100 cubic feet)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
For each CCF of water consumption	\$1.666	\$1.782	\$1.999	\$2.138

Parks and Irrigation Service				
Range in CCF (100 cubic feet)	Inside Commencing		Outside Commencing	
	4/1/2017	1/1/2018	4/1/2017	1/1/2018
For each CCF of water consumption	\$3.115	\$3.485	\$3.738	\$4.182

B. Wholesale Service. Wholesale water service may be provided to community water systems that are in compliance with state Department of Health regulations. All wholesale water agreements are subject to Tacoma Public Utility Board approval. Any customer purchasing wholesale water must adopt or commit, in writing, to a water conservation and water shortage response program substantially equivalent to the Division's program as a condition of service.

1. Water Rates. A wholesale water service customer with contractual agreement from Tacoma Water may choose either a rate schedule below with a corresponding ready to serve charge as described in Section A1 for an outside city customer or a market-based price set by Tacoma Water staff based on an analysis of the wholesale system and their supply alternatives. All wholesale contractual agreements with market-based pricing shall be approved by the Tacoma Public Utility Board and Tacoma City Council.

a. Constant Use Customer:

Wholesale Constant Use Customer		
	Rate per CCF	
Range in CCF (100 cubic feet)	Commencing	
	4/1/2017	1/1/2018
Per CCF for winter months (October - May)	\$2.112	\$2.112
Per CCF for summer months (June - September)	\$2.640	\$2.640

This option may be considered by those customers using water on a year-round basis where their average summer day use divided by their average winter day use results in a summer/winter use ratio of 2.5 or less.

b. Summer Season, Peaking:

Wholesale Summer Season, Peaking		
	Rate per CCF	
Range in CCF (100 cubic feet)	Commencing	
	4/1/2017	1/1/2018
For each CCF of water consumption	\$3.960	\$3.960

This option will be used for those customers using relatively large amounts of water in the summer months and little or no water in winter months. The ratio of average summer day use divided by average winter day use shall be greater than 2.5.

For purposes of these rates, summer-use months are defined as June through September and winter-use months are October through May.

Existing customers will be classified into one of the two rate schedules upon annual review of their usage patterns. New customers will select a rate based upon anticipated use. This selection will be subject to revision if usage is not consistent with the above options after a six-month period.

2. Additional Water. Additional or new water may be provided by the City to a wholesale customer conditioned upon satisfying the following:

- a. For every new customer of the wholesale customer that is provided with water from City's surplus supply, the wholesale customer shall remit to the City (on a monthly basis or by other arrangement as agreed to by the Superintendent) the appropriate SDC for said customer based on meter size in accordance with TMC 12.10.310.
- b. That, in lieu of satisfying subsection A above, in the event the wholesale customer is in a water deficient status or later becomes water deficient as determined by the Superintendent in consultation with wholesale customer, then the Superintendent shall establish a SDC equivalent for said wholesale customer. This SDC equivalent shall not be less than what the total "retail customer equivalent" would have been for the total deficiency.
- c. That the City and wholesale customer shall enter into a letter agreement setting forth the above requirements and committing the wholesale customer to remit the SDC payment to City. The wholesale customer may be required to provide City with periodic reports, certified to be accurate, detailing pertinent data.
- C. Emergency Intertie Service. Requests for one-way and two-way emergency intertie service between the City and another purveyor will be considered.

The Superintendent may enter into specific agreements, specifying the terms under which water will be furnished or accepted by the Division. Water furnished to a purveyor through an emergency intertie service will be billed as a wholesale service with a ready to serve charge and rate for water used. Billing will be at the constant use rate for up to 30 days. If use exceeds 30 days the Superintendent will have the discretion to change the constant use rate to the summer season peaking rate. Said agreement shall provide that neither party shall be liable for failure to deliver water to the other at any time.

D. Fire Protection Service. When a customer does not receive domestic water from the Division and requests a fire service from the Division the appropriate regular domestic service rates shall apply as detailed above. In addition all regular construction fees, main charges and SDC shall apply. Where City water is used for domestic purposes, such customers are entitled to a separate fire service at the regular fire service rate, payable monthly as follows:

Fire Protection Service – Ready to Serve Charge					
Meter Size (Inches)	Inside Commencing		Outside Commencing		Maximum Allowable Monthly Water Usage for Testing and Leakage, CCF
	4/1/2017	1/1/2018	4/1/2017	1/1/2018	
2	\$25.89	\$26.07	\$31.07	\$31.07	2.99
3	\$37.70	\$37.96	\$45.24	\$45.24	2.99
4	\$62.98	\$63.42	\$75.58	\$75.58	2.99
6	\$141.27	\$142.25	\$169.52	\$169.52	2.99
8	\$251.49	\$253.24	\$301.79	\$301.79	2.99
10	\$393.37	\$396.11	\$472.04	\$472.04	2.99
12	\$629.19	\$633.57	\$755.03	\$755.03	2.99

Where such fire service is provided, the monthly rate shall include usage of up to a maximum of 2.99 units of water per month. The 2.99 units of allowable water use is for incidental water use for monthly leakage and system testing and is the maximum amount allowed in a single month. In any month where the total consumption is in excess of the amount shown above, the rate for water consumed shall be as noted below.

Fire Protection Service - Rate per CCF		
	Rate per CCF	
	Commencing	
	4/1/2017	1/1/2018
All CCF - Inside City	\$3.960	\$3.960
All CCF - Outside City	\$4.752	\$4.752

If the Water use in excess of the maximum monthly allowable amount was used in extinguishing fires of incendiary or accidental origin and the customer at the location where the use occurs gives written notice to the Division within ten days from the time of such fire the customer shall pay only for actual water used at the rate noted above. If the Division is not notified the Division will conclude that water is being used for purposes other than extinguishing fires and charge the additional fee noted below of 12 times the monthly rate.

Whenever water from the Division is available on a premise through a service being charged the rate for fire protection only and is used for purposes other than extinguishing fires of incendiary or accidental origin including ongoing leakage of the fire service line and the amount of water used is in excess of the amount shown in the table above, 12 times the ready to serve charge for the specific service in question shall be the monthly minimum charge and the charge for water consumed shall be as noted in the "Fire Protection Service – Rate per CCF" table above. Waivers may be granted from the assessment of the 12 times the ready to serve charge for leaks or other accidental use upon written request with all supporting documentation but the charge for water consumed shall not be waived.

Nonpayment of invoices related to the construction of or monthly use of a fire service will result in the service being turned off and notification of the appropriate fire official who may then disallow occupancy of the premise.

Unauthorized use of water through a detector check meter more than once per calendar year may be cause for installation of a turbine meter assembly, UL/FM approval for fire service assemblies at the expense of the customer. Within the City of Tacoma, whenever water is used for purposes other than extinguishing fires, the amount of water used may be subject to the appropriate sanitary sewer charge as defined in TMC 12.08, in addition to the rates noted above and assessment of the 12 times the ready to serve charge.

Should the unauthorized use continue, including leakage in excess of the maximum amount of water allowed, the service will be considered as other than standby fire protection and be billed in accordance with the type of use pursuant to this section, and shall be subject to payment of the applicable SDC pursuant to TMC 12.10.310. Refusal to pay for the installation of the fire line meter and/or the SDC shall result in termination of service pursuant to TMC 12.10.130.

When a customer desires a fire service for the protection of a premises and the domestic water for said premises is provided from another source, the applicable single-family residential, multi-family residential, or commercial/industrial rates shall apply for the requested fire protection service inside and outside the City, respectively. When any outlet for fire protection

purposes is installed on a residential, commercial or industrial service, no rebate will be allowed for water used for extinguishing a fire.

E. The Pulp Mill Contract. The rates, terms, and conditions in the contract originally entered between the City and RockTenn CP, LLC ("Pulp Mill") and all future assignee to the contract are applicable, except as modified by this section. For a nominated contract demand, the water rate will be based on a monthly distribution charge and the daily supply charge. If the monthly water use exceeds 103% of the contract demand or the daily water use exceeds 109% of the contract demand, an excess water usage charge will be applied. The excess water usage charge will be either the daily excess water use charge or the monthly excess water use charge, whichever is greater.

1. Water use within the range of contract demand plus 3 percent: The charge will consist of a monthly distribution charge and daily supply charge per ccf metered as stated below.
2. Daily water use greater than one hundred and nine percent (109%) of the contract demand: The charge will consist of a monthly distribution charge, daily supply charge, plus a Daily Excess Water Usage Charge (based upon the commercial and industrial-large volume rate) for water metered daily in excess of the contract demand plus 9 percent as stated below.
3. Monthly water use greater than one hundred and three percent (103%) of the contract demand: The charge will consist of a monthly distribution charge, daily supply charge, plus a Monthly Excess Water Usage Charge (based on the commercial and industrial-large volume rate) for water metered during a month in excess of the contract demand plus 3 percent, as stated in the following table.

Billing Components	Commencing	
	4/1/2017	1/1/2018
Distribution Charge per Month	\$77,201.64	\$80,289.71
Supply Charge/CCF	\$0.7148458	\$0.7434396
Daily or Monthly Excess Water Usage Charge (Commercial and Industrial - Large Volume Rate) per CCF	\$1.666	\$1.782

4. The Superintendent is hereby authorized to execute a contract with the Pulp Mill to provide additional terms and conditions of service and other provisions consistent with this ordinance.

F. Meter Tests. If a customer has informed the Division that its water consumption has been above its normal billing consumption and verification discovers no leaks on the customer facilities, the customer may request that the Division test the meter. If the test discloses the meter is accurate within the American Water Works Association ("AWWA") specifications, the customer will be billed for the test and their water bill will not be adjusted. If the test discloses the meter is not accurate within the AWWA specifications and the inaccuracy is the cause of the recorded high consumption, the customer's water bill will be adjusted and credit given for the excessive consumption and the customer will not be billed for the test. The charge for testing meters shall be added to the customer's bill as follows:

Meter Size	Cost
1-inch and smaller	\$75.00
>1-inch	*Estimated Cost

*The customer shall pay a deposit in the amount of the Division's estimated cost.

If the actual cost differs from the estimated cost, the customer will be refunded or billed the difference.

The Division will not test meters owned by others.

G. Low Pressure or Low Flow Concerns. The customer may request the Division to conduct a flow and pressure test on the service to its premises. If the cause of the problem is found to be located on the property side of the meter yoke outlet, the customer will be invoiced for a fee of \$25. If the test discloses that the low flow and/or pressure is caused by Division facilities, the Division will attempt to correct the problem and the customer will not be charged.

H. Low-income Senior and/or Low-income Disabled Residential Rate Discount. Residential customers who qualify as low-income senior or low-income disabled shall be eligible for a 30 percent reduction from the regular residential water rates. The determination of low-income senior and low-income disabled shall be made as set forth in TMC 12.06.165 for City Light Division (d.b.a. "Tacoma Power") customers. Customers must submit an application for review and acceptance by the authorized administering agency to qualify for this reduction. For the water rate discount, there is no requirement that a customer be a Tacoma Power customer or submit to an energy audit.

I. Water System Acquisition. A water system may be acquired by the City under an agreement between the water system owner(s) and the City with Board and City Council approval. When all or a portion of the acquired system requires upgrading equal to Division standards, the agreement shall provide for funds to achieve compliance with said standards. Under the agreement, a surcharge may be levied by the City for a period of time or an LID may be formed in accordance with RCW Title 35. The surcharge shall be an additional charge equivalent to the Ready to Serve charge per month times a multiplier, or an actual dollar amount as stated in the acquisition agreement and set forth below. The current surcharge areas include:

Former Water System	
Hyada Mutual Service Company	Total Monthly Charge \$30.00 per month through July 2022

If allowed by the acquisition agreement, a customer in a surcharge area may opt to pay off the outstanding surcharge amount.

(Ord. 28423 Ex. A; passed Apr. 11, 2017; Ord. 28413 Ex. A; passed Mar. 21, 2017; Ord. 28305 Ex. A; passed Jul. 14, 2015; Ord. 28286 Ex. A; passed Mar. 17, 2015; Ord. 28133 Ex. A; passed Feb. 26, 2013; Ord. 27971 Ex. A; passed Feb. 8, 2011; Ord. 27970 Ex. A; passed Feb. 1, 2011; Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 27570 § 9; passed Dec. 19, 2006; Ord. 27522 § 20; passed Aug. 29, 2006; Ord. 27299 § 11; passed Dec. 7, 2004; Ord. 27137 § 2; passed Sep. 9, 2003; Ord. 27076 § 1; passed Apr. 8, 2003; Ord. 27024 § 7; passed Dec. 10, 2002; Ord. 26872 § 2; passed Nov. 6, 2001; Ord. 26800 § 16; passed Apr. 10, 2001; Ord. 26409 § 1; passed Apr. 27, 1999; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.485 City not liable for damages.

The Division reserves the right to require any customer to install as a condition of water service a pressure reducing valve, backflow prevention assembly, pressure relief valve or similar devices at any location where the Superintendent determines a need to protect the Division's facilities, water quality or customer's service.

The City shall not be liable for damages and allowances will not be made for loss of production, sales or service in case of: (1) water pressure variations, (2) revisions to pressure within the system, (3) operation of the City's source of water supply or means of distribution fails or is curtailed, suspended, interrupted or interfered with, or (4) for any cause reasonably beyond the Division's control. Pressure variations, equipment failure, failure to supply, curtailment, suspension, interruption or interference shall not constitute a breach of contract on the part of the City, or in any way affect any liability for payment for water made available or for money due on or before the date of such occurrence. The customer shall notify the Division as soon as possible in the event of unusual occurrences. The Division reserves the right to make system modifications as deemed necessary for the operation and maintenance of the system.

When water service is turned on or left on at the request of the customer, or the Division discontinues service for "nonpayment" or "no contract," the Division shall not be liable for damages incurred to the premises because of such actions.

If a water meter or other Division pipes and equipment is located on the customer's premises, as a condition of water service the customer agrees not to make claim against nor sue the City for any damages due to water leakage and shall hold the City harmless from any and all claims and litigation which allege damages resulting from water leakage occurring at such meter, pipes, and equipment.

The responsibility for customer facilities installed by the Division for the benefit of the customer shall be that of the owner of the premises served and the City shall not be liable for any part of the cost nor for any damage resulting from its use.

(Ord. 27778 Ex. A; passed Jan. 6, 2009; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.490 Protection of public health.

The Superintendent may arrange for a periodic inspection of the water system in coordination with the appropriate State Director of Health. The Superintendent shall from time to time promulgate, publish and enforce such rules and standards deemed necessary by the Division to protect the municipal potable water supply from pollution. Copies of such rules and standards, and amendments thereto, shall be placed on file with the Clerk of the Public Utility Board.

(Ord. 27299 § 12; passed Dec. 7, 2004; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.495 South Tacoma Groundwater Protection.

Upon receipt of written request and documentation from the Director of the Tacoma-Pierce County Health Department, or his or her designee, that a customer is in violation of the requirements of TMC 13.09, the Superintendent may order water service to be discontinued.

(Ord. 27522 § 21; passed Aug. 29, 2006)

12.10.500 Waivers – By Superintendent.

The Superintendent is authorized to grant minor waivers to specific requirements contained in this chapter. The Superintendent may grant a minor waiver upon Division initiation or upon a clear demonstration by the applicant that such waiver will not be in conflict with the intent and spirit of this chapter.

(Ord. 26048 § 1; passed Mar. 25, 1997.)

12.10.505 Customer service policies – Additional rules and regulations.

The Superintendent, with the approval of the Director, may promulgate and enforce Customer Service Policies and related additional rules and standards as may be deemed appropriate to implement this chapter, to encourage conservation and the efficient use of water, and for further clarification of service.

Legal criminal enforcement shall be vested in the Police Department of the City, and all prosecutions for violations hereof shall originate in the Municipal Court of the City of Tacoma. The penalties provided herein are in addition to any civil remedy provided at law.

(Ord. 27522 § 22; passed Aug. 29, 2006; Ord. 27299 § 13; passed Dec. 7, 2004; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.515 Violations – Penalties – Enforcement.

Any person violating any of the provisions relating to the rate schedules, general provisions, and customer service policies governing the sale of water shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine in any sum not exceeding \$1,000.00, or imprisonment for a period not to exceed one year, or both; and, in addition to the penalty herein above provided, the service to the premises of any person found guilty of violating these provisions shall be discontinued. The person violating same shall be liable for all damages resulting and for all water used by reason of such violation.

Legal criminal enforcement shall be vested in the Police Department of the City and all prosecutions for violations hereof shall originate in the Municipal Court of the City of Tacoma. The penalties provided herein are in addition to any civil remedy provided by law.

(Ord. 26800 § 17; passed Apr. 10, 2001; Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.520 Severability.

If any clause, sentence, paragraph, subdivision, section or part of the provisions relating to the rate schedules, general provisions and customer service policies governing the sale of water shall for any reason be adjudged to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this chapter.

(Ord. 26048 § 1; passed Mar. 25, 1997)

12.10.525 Interference with and/or damage to City water system.

Any person causing damage to any property belonging to the Division shall be liable to the Division for any and all damages resulting either directly or indirectly therefrom.

It shall be unlawful for any person to willfully disturb, break, deface, damage or trespass upon any property belonging to or connected with the water system of the Division in any manner whatsoever.

It shall be unlawful for any person to build, store, maintain or keep any goods, merchandise, materials or rubbish that will interfere with the access to or operation and maintenance of any water facilities, or any of their appurtenances.

(Ord. 27299 § 14; passed Dec. 7, 2004; Ord. 26048 § 1; passed Mar. 25, 1997)



MyTPU.org/MyAccount
(253) 502-8600
3628 S. 35th St. | Tacoma, WA 98409

Account# [REDACTED]

Amount Due

\$115.38

Due Date

5/31/17

Billing period - 4/28/17 to 5/12/17
(15 days)



Electricity \$22.65

Average cost per day \$1.51



Drinking water \$24.78

Average cost per day \$1.65



Environmental Services



Wastewater \$27.59

Average cost per day \$1.84



Solid waste & recycling \$10.57

Average cost per day \$0.70



Surface water \$8.19

Average cost per day \$0.55

Adjustments / Deposits / Fees \$21.60

Total Current Charges \$115.38

Previous Amount Due	\$0.00
Payments	\$0.00
Balance	\$0.00
Current Charges Due 5/31/17	\$115.38
Amount Due	\$115.38

Manage your account online

Visit MyTPU.org/MyAccount to pay your bill, sign up for text and email reminders and set up recurring payments. Our customers say it's user-friendly, intuitive and simple.



Pay online at MyTPU.org/MyAccount
or make checks payable to City of Tacoma and mail to
P.O. Box 11010 Tacoma, WA 98411-1010

Account# [REDACTED]

Amount Due

\$115.38

Due Date

5/31/17

Check if your payment
includes a donation to the
low-income assistance
program. Thank you!

Amount \$ _____



Amount Paid

\$ _____

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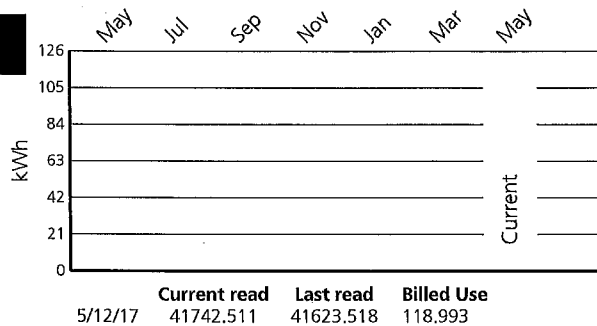
Issue date 5/16/17

**Tacoma Power**

Energy* 118.993@\$.042437/kWh \$5.05
 Distribution* 118.993@\$.034435/kWh \$4.10
 Fixed charge @\$.13.50/month \$13.50
Total \$22.65

Taxes included in your power service:
 Tacoma gross earnings - 6.0% - \$1.36
 State Public Utility - 3.8734% - \$0.88

* The energy charge is for producing electricity. The distribution charge is for delivering that electricity to you.

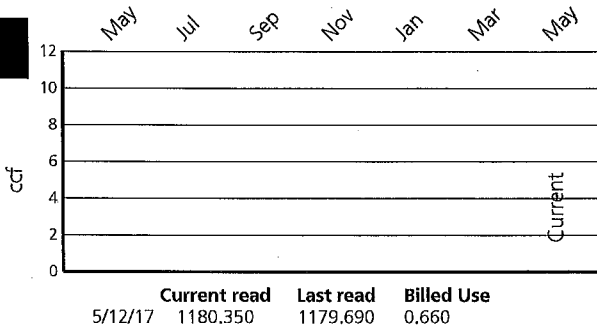


Power use
 This billing period
118.99 kWh
 Last year
0.00 kWh
 Difference
+118.99 kWh

**Tacoma Water**

.660@\$1.825000/ccf \$1.20
 Fixed charge \$21.20
 Hydrant Service Fee \$2.38
Total \$24.78

Taxes included in your water service:
 Tacoma gross earnings - 8.0% - \$1.98
 State Public Utility - 5.029% - \$1.25



Water use
 (1 ccf = 748 gallons)
 This billing period
0.660 ccf
 Last year
0.000 ccf
 Difference
+0.660 ccf

**Wastewater**

3.500@\$4.470000/ccf * \$15.65
 Fixed charge @\$23.88/month/dwelling \$11.94
Total \$27.59

These taxes may be included in your wastewater service:
 State B&O - 1.5%
 Tacoma gross earnings - 8.0%
 State sewer collection - 3.852%

* ccf charge based on city average winter water use.

Payments

No payments received.

Adjustments / Deposits / Fees

Service Establishment Fee 4/27/17

\$21.60

How to Contact Us**Customer Services: (253) 502-8600**

- Toll free (800) 752-6745
- TTY for the hearing impaired (800) 833-6384

Report a power outage: (253) 502-8602

Water issues: (253) 502-8384

Flooding/sewer backups: (253) 591-5585

Para asistencia en español, por favor llame (253) 502-8771

**Solid Waste & Recycling**

30 Gal Resi Garbage 1/2 Month Pickup @ \$21.14/month \$10.57
Total \$10.57

How to make a payment

Online | MyTPU.org/MyAccount



Pay Box | 2 at TPU | 3628 S. 35th St.
 Find other locations at MyTPU.org/PayBox



Phone | (253) 502-8608
 24 hours a day, 7 days a week



Mail
 P.O. Box 11010 | Tacoma, WA 98411-1010



In Person | 3628 S. 35th St. | Tacoma, WA 98409
 Monday through Friday, 8 a.m. to 5:30 p.m.

Your bill includes charges for electricity, delivery services, general administration and overhead, metering, taxes, conservation expenses, and other items.

Want to learn more about green power? Visit MyTPU.org.

Has your phone number or email address changed?

Update your information at MyTPU.org/MyAccount.



MyTPU.org/MyAccount
(253) 502-8600
3628 S. 35th St. | Tacoma, WA 98409

Billing period - 4/28/17 to 5/12/17 (15 days)

Issue date 5/16/17

Page 3 of 3

Account# [REDACTED]

Amount Due

\$115.38

Due Date

5/31/17

These taxes may be included in your solid waste service:

State B&O - 1.5%

Tacoma gross earnings - 8.0%

B&O retail - 0.471%

State refuse collection - 3.6%



Surface Water

Parcel charge \$8.19

Total \$8.19

These taxes may be included in your surface water service:

Tacoma gross earnings - 8.0%

State B&O - 1.5%

**Parcel charge includes fixed fee, plus area charge for each 500 square feet.*



RESOLUTION NO. U-10980

A RESOLUTION authorizing Tacoma Power's payment of statutory costs to the Western Electricity Coordinating Council for 2018.

WHEREAS the Department of Public Utilities, Power Division (d.b.a. "Tacoma Power"), is a member of the Western Electricity Coordinating Council ("WECC"), and

WHEREAS Section 11 of the WECC bylaws requires Interconnection Registered Entities, such as Tacoma Power, to pay a proportional share of WECC's statutory costs, and

WHEREAS Tacoma Power's share of the 2018 WECC statutory costs is \$219,316, and

WHEREAS Tacoma Power requests the Board approve payment of Tacoma Power's share of the 2018 WECC statutory costs; Now, Therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That Tacoma Power's request to pay its portion of Western Electricity Coordinating Council statutory costs in the amount of \$219,316 is approved.

Approved as to form and legality:

Chair


Chief Deputy City Attorney

Secretary

Clerk

Adopted

Request for Board meeting

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
REQUEST FOR RESOLUTION

of December 13, 2017

Date: 11/17/17

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Authorize Payment of the Western Electricity Coordinating Council (WECC), North American Electric Reliability Corporation (NERC), and Western Interconnection Regional Advisory Board (WIRAB) Statutory Costs for 2018.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

Authorize payment in the amount of \$219,316 for Tacoma Power's portion of the 2016 annual net energy for load and associated 2018 assessments according to the following breakdown:

WECC - \$146,307.00

NERC - \$68,992.00

WIRAB - \$4,017.00

3. Summarized reason for resolution:

Tacoma Power's share of the statutory costs assessed by WECC, NERC, and WIRAB for 2018, as approved by the governing bodies of each agency and by the Federal Energy Regulatory Commission (FERC).

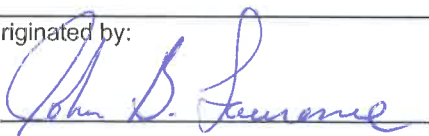
4. Attachments:

- a. Memo from Superintendent Robinson to Director Gaines
- b. WECC Invoice No. A180096

5. ☒ Funds available ☐ Proposed action has no budgetary impact

6. Deviations requiring special waivers:

Originated by:



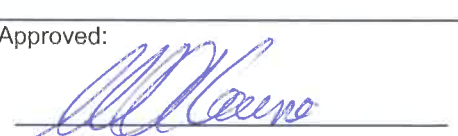
Section Head

Requested by:



Division Head

Approved:



Director of Utilities



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

Date: November 17, 2017

To: William A. Gaines
Director of Utilities/CEO

From: Chris Robinson *CR*
Power Superintendent/COO

Subject: Authorize Payment of 2018 WECC, NERC, and WIRAB Annual Assessments

RECOMMENDATION: Tacoma Power recommends the Public Utility Board authorize payment of its 2018 Assessments from WECC, NERC and WIRAB in the amount of \$219,316.

EXPLANATION: Tacoma Power's share of the 2018 statutory costs for WECC, NERC and WIRAB was calculated in accordance with the established rule of procedure, and approved by the appropriate governing bodies for each entity. WECC, NERC and WIRAB's budgets and allocations were approved by the Federal Energy Regulatory Commission on November 1, 2017.

We request your approval to submit this matter to the Public Utility Board for consideration.

APPROVED:

William A. Gaines
Director of Utilities/CEO

11-22-17

Date



WECC

ACCOUNT: Tacoma Power (City of Tacoma)
PO Box 11007
Tacoma, WA 98411

INVOICE #: **A180096**
INVOICE DATE: November 15, 2017
DUE DATE: January 2, 2018
P.O. #:

ATTENTION: M. Foster, J. Lawrence, B. Williamson

FOR: **2016 Annual Net Energy for Load and 2018 Assessments**

This invoice is for load within the following Balancing Authority:

Tacoma Power

The WECC Board of Directors (on June 21, 2017) and the Federal Energy Regulatory Commission (FERC) (on November 1, 2017) approved an assessment of \$25,282,000 to Western Interconnection Balancing Authorities and/or Load-Serving Entities for WECC's 2018 Statutory costs. This amount was calculated in accordance with Section 11 of the WECC Bylaws. Your organization's share of that assessment is listed below.

Also listed below are your organization's shares of the North American Electric Reliability Corporation's and Western Interconnection Regional Advisory Body's 2018 Statutory Assessments, as approved by FERC on November 1, 2017. Detailed assessment information is available on NERC's website: http://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/NERC2018BusinessPlanBudgetFiling_8-23-2017.pdf

Be advised that 0.00% of the 2018 NERC Assessment billed on the enclosed invoice is allocable to non-deductible lobbying expenditures. Any questions regarding this notice should be directed to andy.sharp@nerc.net.

Description	Amount
North American Electric Reliability Corporation (NERC) Statutory Assessment	\$68,992.00
Western Electricity Coordinating Council (WECC) Statutory Assessment	\$146,307.00
Western Interconnection Regional Advisory Body (WIRAB) Statutory Assessment	\$4,017.00

Total Due: \$219,316.00

PAYMENT OPTIONS:

- 1) Pay invoice in full by January 2, 2018 or
- 2) Pay 50% by January 2, 2018 and 50% by July 2, 2018.

Please reference the invoice number on all forms of payment. If you have any questions or concerns, please email assessments@wecc.biz.



RESOLUTION NO. U-10981

1 A RESOLUTION authorizing Tacoma Power's payment of the 2018 Peak
2 Reliability Coordinator Final Funding Agreement service costs.

3 WHEREAS the Department of Public Utilities, Power Division (d.b.a.
4 "Tacoma Power"), had entered into a Reliability Coordinator Final Funding
5 Agreement ("FA") with Peak Reliability ("PEAK"), approved by Utility Board
6 Resolution U-10794, for reliability coordination services, and

7 WHEREAS Section 4.3 of the Reliability Coordinator Funding
8 Agreement requires Interconnection Balancing Authorities who have
9 executed the FA with PEAK, such as Tacoma Power, to pay a proportional
10 share of the FA costs, and

11 WHEREAS Tacoma Power's share of the 2018 PEAK Reliability Final
12 Funding amount is \$268,218, and

13 WHEREAS Tacoma Power requests the Board approve payment of
14 Tacoma Power's share of the costs; Now, Therefore,

15 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

16 That Tacoma Power's request to pay its portion of the 2018 PEAK
17 Reliability Coordinator Final Funding Agreement costs in the amount of
18 \$268,218, is approved.
19

20 Approved as to form and legality:

21 
22 for Chief Deputy City Attorney

Chair

Secretary

23
24 Clerk

Adopted

Request for Board meeting

of December 13, 2017

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
REQUEST FOR RESOLUTION

Date: 11/17/17

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Authorize Payment of the Peak Reliability (Peak) Final Funding Amount for 2018.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

Authorize payment of the Peak Final Funding Amount in the amount of \$268,218 for Tacoma Power's portion of the 2018 reliability coordination services costs.

3. Summarized reason for resolution:

Tacoma Power's share of the \$40,292,123 assessed to funding parties for Peak's 2018 costs in accordance with section 4.3 of the Reliability Coordinator Funding Agreement.

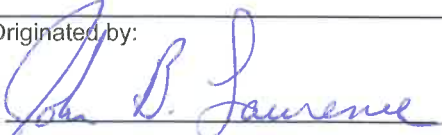
4. Attachments:

- a. Memo from Superintendent Robinson to Director Gaines
- b. Peak Invoice No. INV00697
- c. Copy of Resolution No. U-10794 (Adopted 7/22/15)

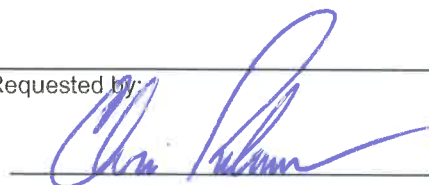
5. ☒ Funds available ☐ Proposed action has no budgetary impact

6. Deviations requiring special waivers:

Originated by:


Section Head

Requested by:


Division Head

Approved:


Director of Utilities

Reference



PEAKRELIABILITY
assuring the wide area view

Invoice
INV00697

Tacoma Power
PO Box 11007
Tacoma, WA 98411-0007
USA

Invoice Date: November 1, 2017

Due Date: January 2, 2018

Attention:
Laurel Campbell

This invoice represents your allocated share of the 2018 Peak Reliability Final Funding Amount calculated in accordance with Section 4.3 of the executed Reliability Coordinator Funding Agreement.

The detailed allocation is available on Peak's website at:

[https://www.peakrc.com/aboutus/Board/Documents/2018 Funding Allocation.pdf](https://www.peakrc.com/aboutus/Board/Documents/2018%20Funding%20Allocation.pdf)

Description	NEL	Amount
2018 Reliability Coordinator Funding	4,817,291.00	\$268,218.00

Total Due: \$268,218.00

Please reference the invoice number on all forms of payment.
If you have any questions or concerns, please contact
Accounts Receivable at: (360) 213-2317

ACH Transfer: Key Bank
ABA# 125000574
ACCT# 479681198467

Fed Tax ID# 46-3889916

PEAK RELIABILITY - ACCOUNTING OFFICE

7600 NE 41st STREET - SUITE 160 - VANCOUVER - WASHINGTON - 98662-7934



RESOLUTION NO. U-10794

A RESOLUTION approving a Funding Agreement ("FA") between Tacoma Power and Peak Reliability, Inc. ("Peak").

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division (d.b.a. "Tacoma Power"), is requesting authorization to enter into a Funding Agreement with Peak, and

WHEREAS Peak is the Reliability Coordinator ("RC") for the Western Interconnection and was formed as a result of the bifurcation of the Western Electricity Coordinating Council ("WECC") into a Regional Entity ("WECC") and a Reliability Coordinator ("Peak"), and

WHEREAS, as the RC, Peak is responsible for monitoring and directing reliable operation of the Bulk Electric System within the Western Interconnection, and

WHEREAS Peak also works with Balancing Authorities ("BAs"), Transmission Owners ("TOs"), and Transmission Operators ("TOPs") to minimize disruptions, provide leadership, and coordinate reliability as an RC, and

WHEREAS Tacoma Power is registered as a BA, TO, and TOP; however, it is not registered as an RC and cannot meet its regulatory obligations under the North American Electric Reliability Corporation's ("NERC") Reliability Standards without the RC functions provided by Peak, and



WHEREAS the FA has a five-year term that automatically renews every five years and defines the RC services to be allocated out to the entities executing the FA. For the FA to become effective, entities representing not less than 90% of the net energy for load ("NEL") in the United States portion of the Western Interconnection must execute the FA by August 7, 2015. If the 90% threshold is not met, the parties that have executed the FA will have to agree in writing whether it should become effective, and

WHEREAS, if Tacoma Power desires to withdraw from the FA, it must provide (18) full calendar months' advanced notice prior to the effective date and Tacoma Power will still be responsible for all or a portion of its allocated costs for the year of the effective withdrawal date, and

WHEREAS, for each year under the FA, Peak will assess costs and Tacoma Power will bring an invoice of such costs to the Board for separate approval; Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Funding Agreement between Tacoma Power and Peak Reliability, Inc., for a five-year term, is hereby approved and the proper officers of the City are authorized to execute said agreement substantially in the form as on file with the Clerk and as approved by the City Attorney.

Approved as to form and legality:

William Foster
Chief Deputy City Attorney

Chadwick Jacobs
Clerk

Monique J. Hurd
Chair
Monique J. Hurd
Secretary

Adopted 7-22-15



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

Date: November 17, 2017

To: William A. Gaines
Director of Utilities/CEO

From: Chris Robinson *CR*
Power Superintendent/COO

Subject: Authorize Payment of 2018 Peak Reliability Funding Amount

RECOMMENDATION: Tacoma Power recommends the Public Utility Board authorize payment of its share of the 2018 Peak Reliability Coordinator Funding Agreement costs, in the amount of \$268,218.

EXPLANATION: Tacoma Power's share of the \$40,292,123 assessed to signatories of the Peak Reliability Funding Agreement for Peak Reliability's 2018 costs to provide reliability coordination services was calculated in accordance with section 4.3 of the executed Peak Reliability Funding Agreement.

We request your approval to submit this matter to the Public Utility Board for consideration.

APPROVED:



William A. Gaines
Director of Utilities/CEO

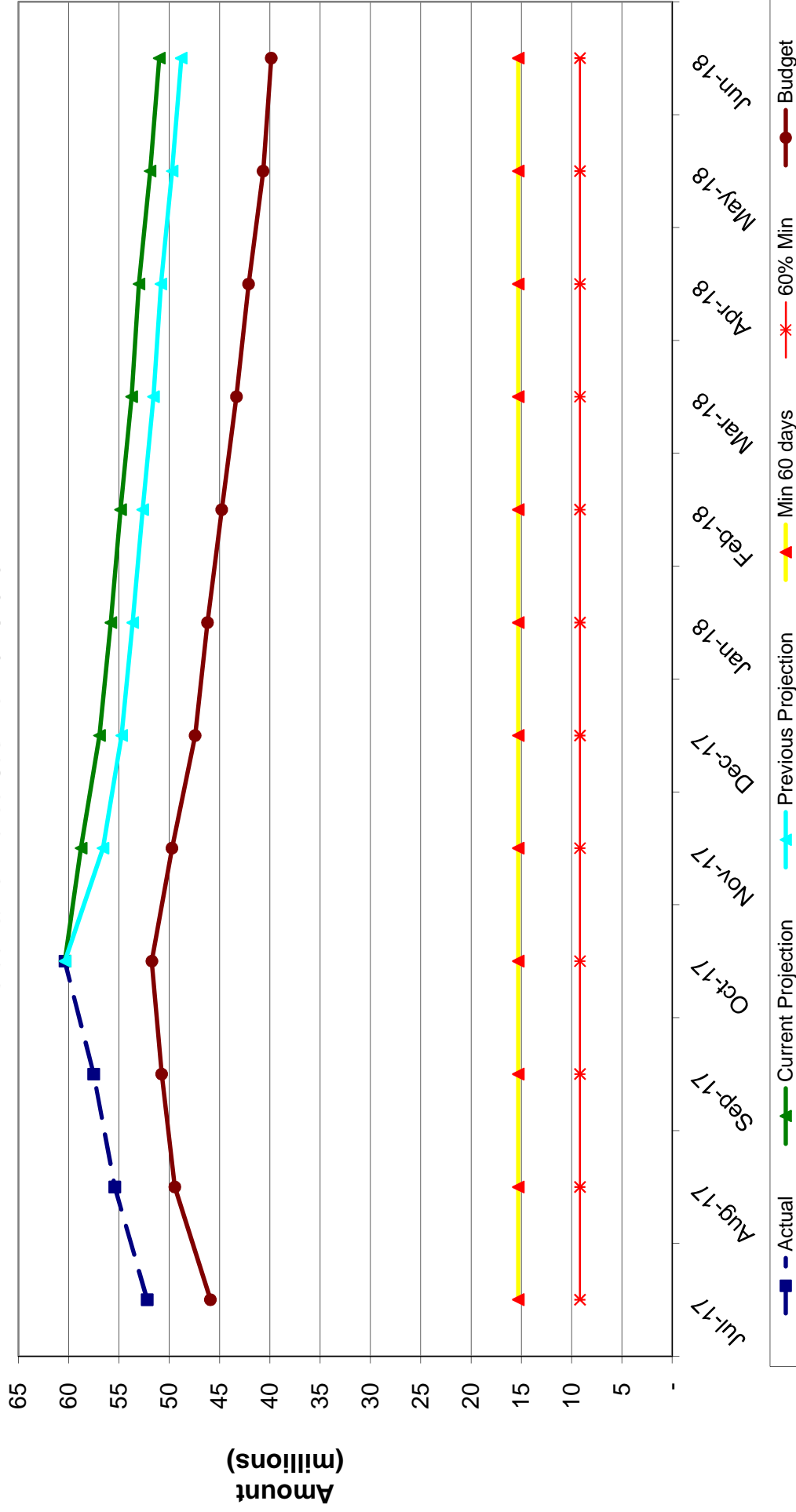
11-22-17

Date

TACOMA WATER

CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash for 2017/2018



TACOMA WATER
2017/2018 CURRENT FUND CASH PROJECTIONS
(000's omitted)

	Oct-17 Estimate	Oct-17 Actual	Nov-17 Estimate	Dec-17 Estimate	Jan-18 Estimate
Beginning Cash Balance	57,512	57,512	60,374	58,776	56,936
Cash In					
Water Sales	7,624	8,426	4,988	5,808	5,001
Public Fire Protection (collected)	287	390	211	291	253
Interest	23	87	23	23	27
Other Revenue	307	333	280	286	680
BABs Subsidies	231	248	231	231	231
Total Cash In	8,472	9,484	5,733	6,639	6,192
Cash Out					
Personnel Costs	2,055	1,685	2,055	3,082	2,139
Supplies, Other Services & Charges	2,483	2,140	2,373	2,235	2,189
Taxes	1,052	1,095	695	950	768
Debt Service	2,208	2,178	2,208	2,212	2,212
Capital Outlay	-	52	-	-	-
Total Cash Out	7,798	7,150	7,331	8,479	7,308
Change in A/R	-	738	-	-	-
Change in A/P	-	(210)	-	-	-
Net Change in Cash	674	2,862	(1,598)	(1,840)	(1,116)
Ending Cash Balance	58,186	60,374	58,776	56,936	55,820

TACOMA WATER

2017/2018 CURRENT FUND CASH PROJECTIONS

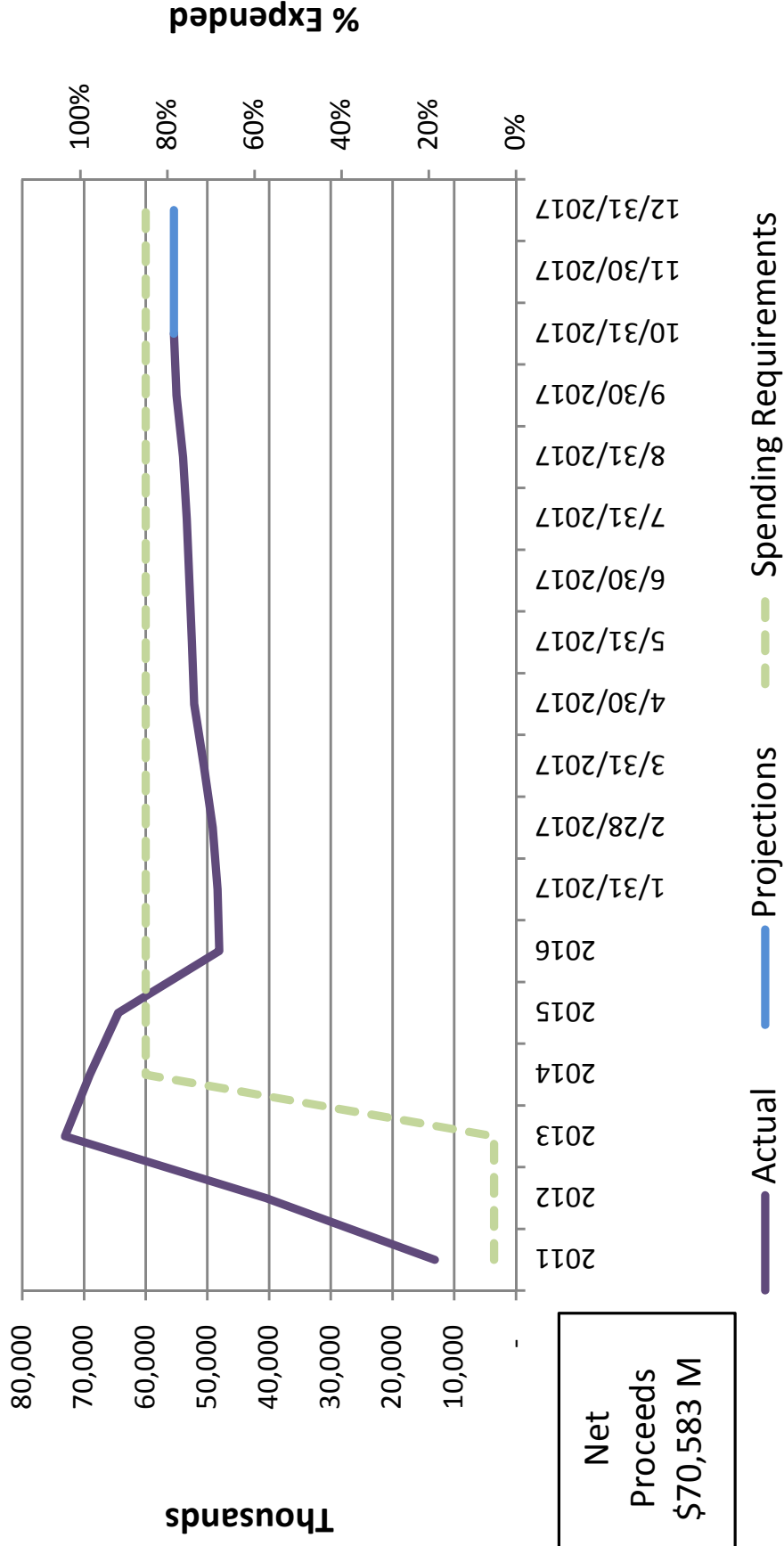
Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on City Council Resolution No. 38215, adopted March 8, 2011, the Division should maintain a minimum cash balance equal to 60 days of current expenditures (\$15.964 million in 2017/2018). Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$9.578 million).
3. Projections for changes in A/P and A/R are not provided due to the variable nature of these accounts. In general, a change in A/R is a result of a change in current month billings and collections, both of which are indicators of current and future cash inflows. A change in A/P is a result of a change in current month purchases and payments, both of which are indicators of current and future cash outflows.

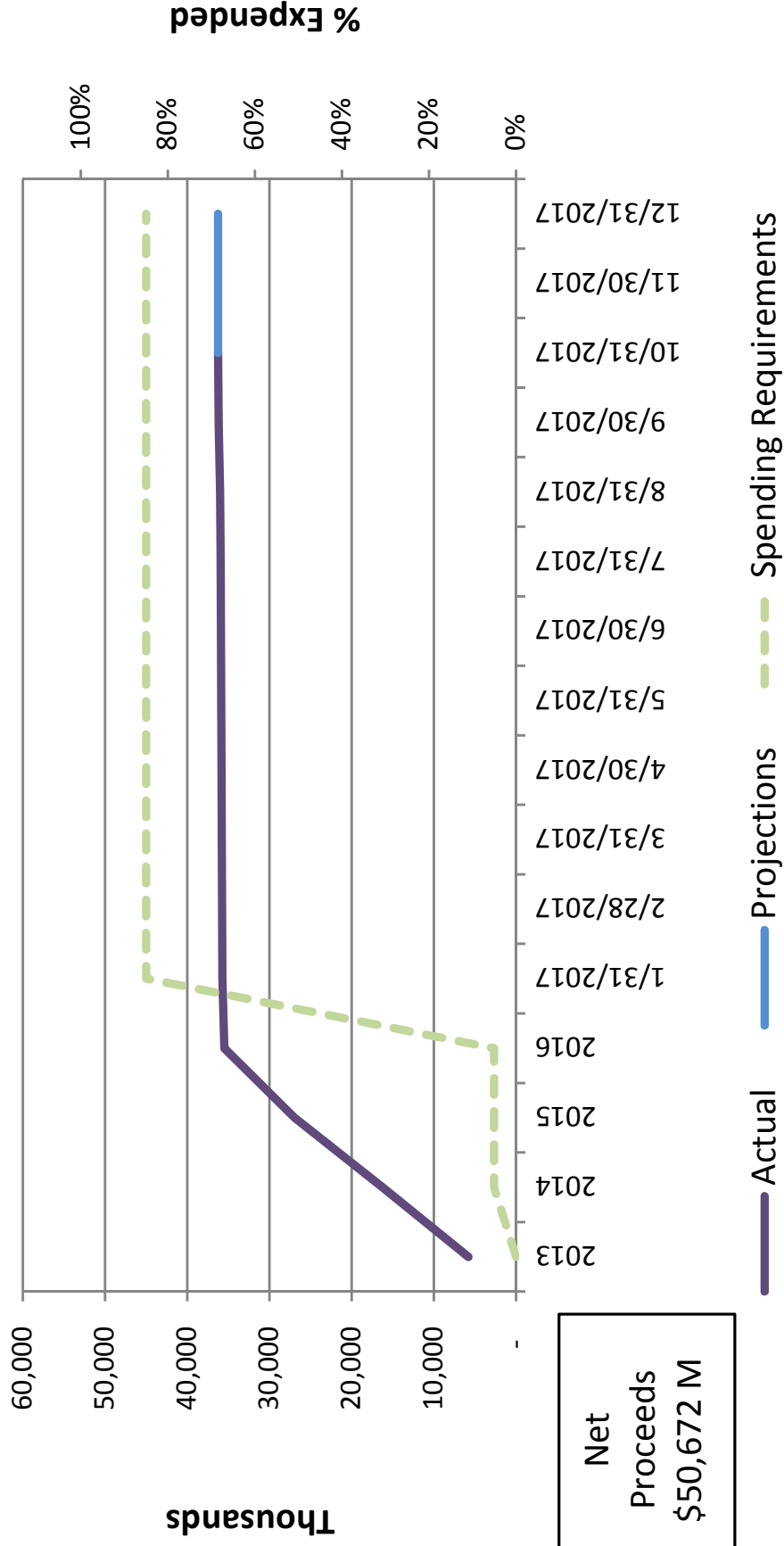
Explanation of Variances and/or Changes in Projections:

Water Sales were \$0.8 million more than projected. This was primarily due to an increase in residential sales of \$0.6 million and an increase in commercial sales of \$0.1 million over the original projection.

Water 4600-10WC Cumulative Bond Spending



Water 4600-13WC Cumulative Bond Spending



Tacoma Public Utilities
Water Bonds
As of October 31, 2017

	Water	
	4600-10WC	4600-13WC
Bond Type	Taxable Build America Bonds	Revenue and Refunding Bonds
Issue Date	8/26/2010	5/7/2013
Months Transpired	87	54

Construction Fund Proceeds	70,583,000	50,672,000
Interest Income	3,343,416	1,126,461
Period		
2011	(13,126,630)	-
2012	(27,346,085)	-
2013	(32,598,851)	(5,767,218)
2014	4,004,026	(10,470,130)
2015	4,610,670	(10,684,407)
2016	16,395,475	(8,545,727)
1/31/2017	(277,688)	(272,288)
2/28/2017	(825,242)	(18,652)
3/31/2017	(1,388,636)	(35,048)
4/30/2017	(1,597,225)	(37,188)
5/31/2017	(379,296)	(34,769)
6/30/2017	(394,110)	(31,141)
7/31/2017	(418,590)	(50,725)
8/31/2017	(597,538)	(51,152)
9/30/2017	(1,058,461)	(185,527)
10/31/2017	(448,576)	(58,764)

Total Spending	(55,446,756)	(36,242,737)
Remaining Bond Balance	18,479,659	15,555,724
Actual % Spent	79%	72%
Cash Balance	18,479,659	15,555,724

4600-10WC

PROJECT	EST \$\$		ACT \$\$		DIFF
15/16 Distribution Main Upgrades & Renew	-		139,072		139,072
15 projects	-		309,504		309,504
	-				-
	-				-

TOTAL Spending vs. Projection	-		448,576		448,576
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4600-13WC

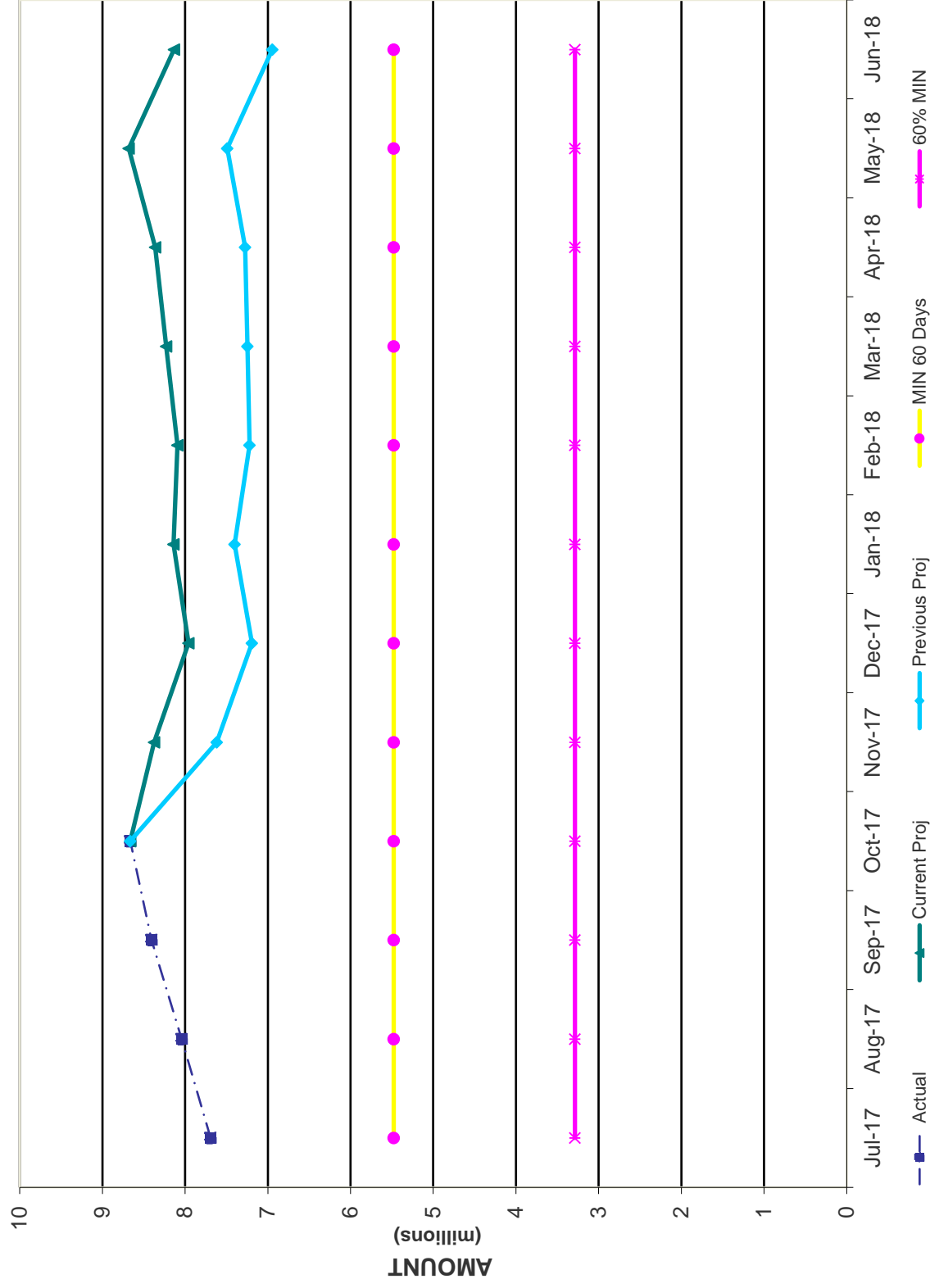
PROJECT	EST \$\$		ACT \$\$		DIFF
17 projects	-		58,764		58,764
					-
					-
					-
					-

TOTAL Spending vs. Projection	-		58,764		58,764
-------------------------------	---	--	--------	--	--------

TACOMA RAIL

2017 CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash



TACOMA RAIL
2017 CURRENT FUND CASH PROJECTIONS
(000's omitted)

	Oct-17 Estimate	Oct-17 Actual	Nov-17 Estimate	Dec-17 Estimate	Jan-18 Estimate
Beginning Cash Balance	\$8,405	\$8,405	\$8,663	\$8,376	\$7,959
<u>REVENUES (Cash-In)</u>	(1)				
Switching Revenue	1,964	1,931	2,039	2,021	2,078
Demurrage Revenue	96	121	96	96	96
Other Revenues	22	10	22	22	22
Lease Revenue	90	72	90	90	90
Interest Income	8	8	8	8	8
Service Maint/Trans Revenue	155	213	155	155	155
Total Revenues	2,335	2,355	2,410	2,392	2,449
<u>EXPENSES (Cash-Out)</u>	(1)				
Personnel Costs	1,078	1,118	1,128	1,606	1,163
Taxes	391	330	276	224	250
Supplies, Other Services & Charges	682	643	797	592	620
Assessments	140	136	139	139	140
Debt Service	37	37	91	-	-
Capital Outlay	16	19	266	248	95
Total Expenses	2,344	2,283	2,697	2,809	2,268
Change in AR	(3)	43			
Change in AP	(3)	143			
Net Increase (Decrease) in Cash	(9)	258	(287)	(417)	181
Ending Cash Balance	(2)	8,396	\$8,663	8,376	\$7,959
					\$8,140

The accompanying notes are an integral part of these cash projections.

TACOMA RAIL
2017 CURRENT FUND CASH PROJECTIONS

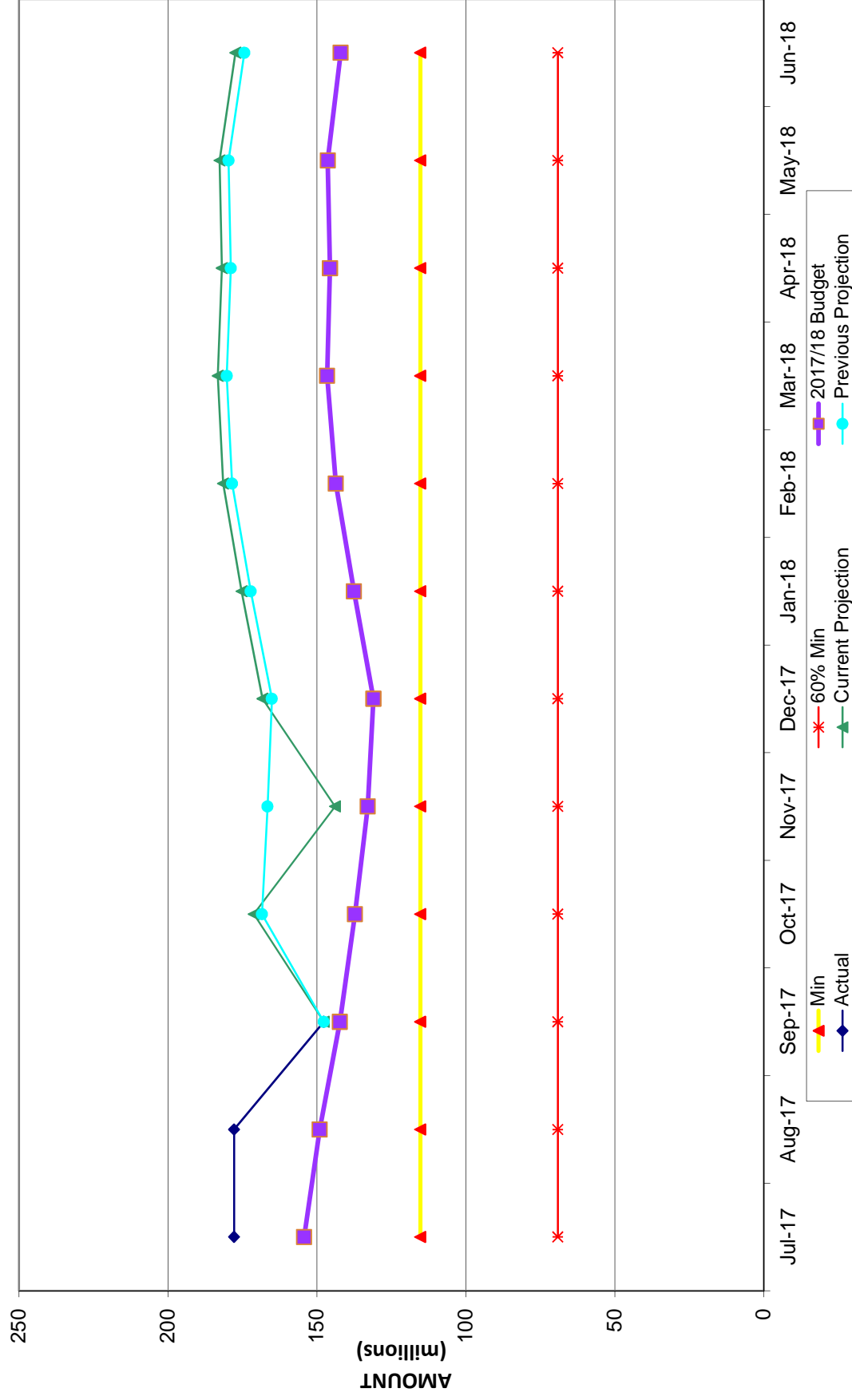
Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on City Council Resolution No. 37101, adopted February 6, 2007, the Division should maintain a minimum cash balance equal to 60 days of current expenditures (\$5.478 million in the 2017/2018). Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$3.287 million).
3. Change in AR and Change in AP are adjustments to the current month's actual cash flows from Revenues and Expenses which factor into the actual ending cash balance. A positive number in Change in AR indicates collections from outstanding accounts receivables exceeded revenues billed in the same month. Conversely, a positive number in Change in AP indicates that payments for goods and services were less than recorded expenses for the same month. The outstanding AR and AP balances at the end of the month will impact the future cash inflows and outflows, respectively.

TACOMA POWER

CURRENT FUND BALANCED BUDGET CASH PROJECTIONS

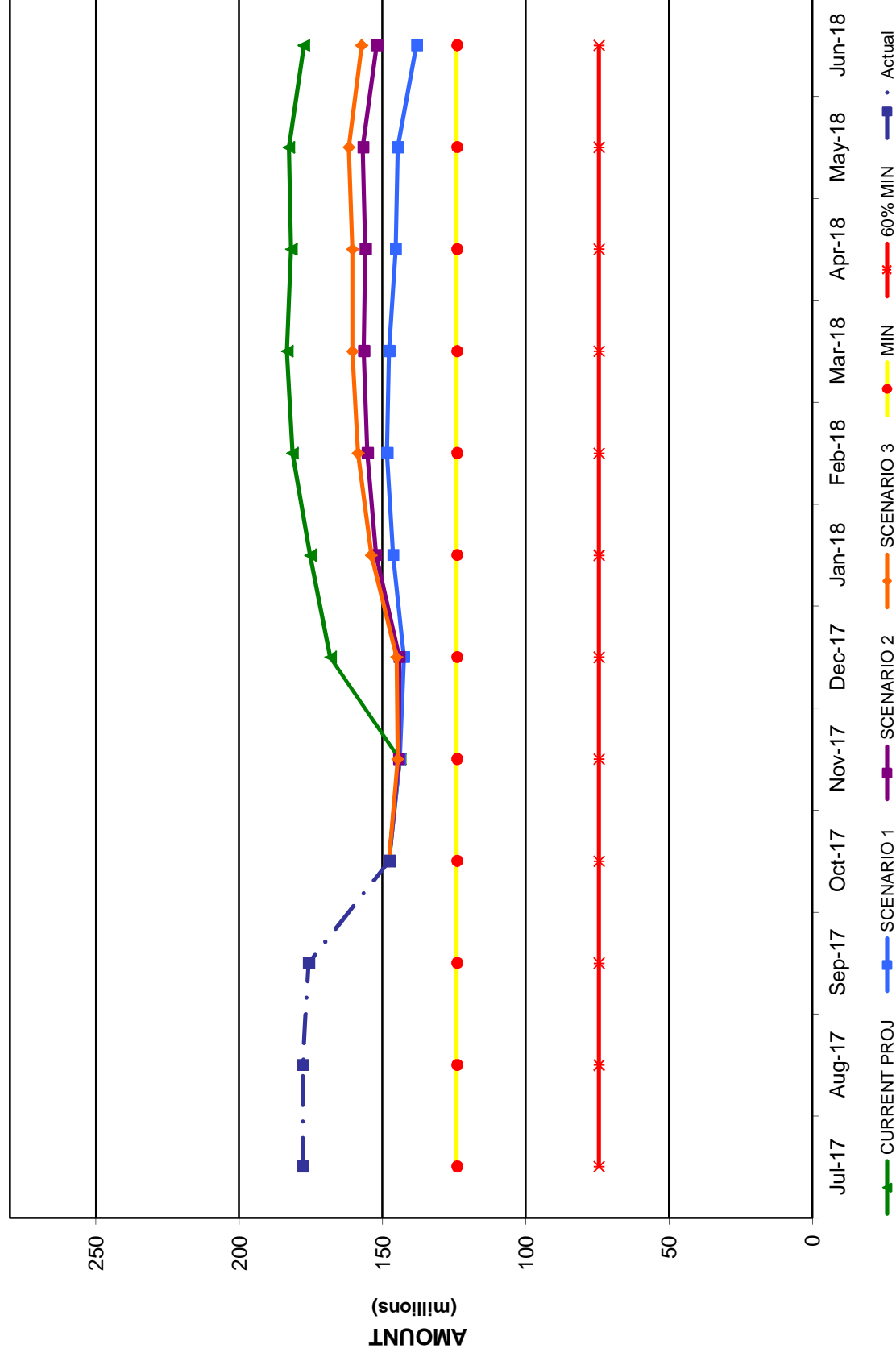
Estimated Cash for 2017-2018



TACOMA POWER

CURRENT FUND CASH PROJECTIONS

Actual and Estimated Cash for 2017-2018



TACOMA POWER
2017-2018 BALANCED BUDGET CASH PROJECTION
(000's omitted)

	Oct-17	Oct-17	Nov-17	Dec-17	Jan-18
	Estimate	Actual			
Beginning Cash Balance (4)	175,802	175,802	147,729	143,914	168,273
Cash In					
Retail Sales	25,534	26,015	26,064	31,849	35,066
Wholesale Sales	1,798	1,616	2,298	5,264	5,373
Telecommunications	2,467	2,180	2,493	2,600	2,550
Other Revenue	2,017	2,114	2,017	2,017	2,017
Total Cash In	31,816	31,925	32,872	41,730	45,006
Cash Out					
Personnel Costs	7,710	6,739	7,710	11,565	7,710
Debt Service	3,019	29,003	3,019	3,019	2,792
Taxes	3,866	3,518	3,866	4,833	5,053
BPA Purchases	10,736	11,674	10,891	11,618	11,207
Wholesale Purchases	1,040	1,600	1,175	1,310	1,225
Supplies, Other Services & Charges	6,616	4,121	6,616	6,616	6,616
Capital Outlay	3,410	6,137	3,410	(21,590)	3,410
Total Cash Out	36,397	62,792	36,687	17,371	38,013
Net	(4,581)	(30,867)	(3,815)	24,359	6,993
Change in A/R		1,827			
Change in A/P		967			
Ending Cash Balance	171,221	147,729	143,914	168,273	175,266

The accompanying notes are an integral part of these cash projections.

TACOMA POWER

2017-2018 CURRENT FUND CASH PROJECTIONS

Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on Public Utility Board and City Council resolutions, the Division should maintain a minimum cash working capital balance of approximately \$115.3 million (90 days) in the 2017/2018 biennium. Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$69.2 million).
3. Commitments: These projections are based on the 2017/2018 budget.
4. "Actual" cash and investment balance as of October 1st, 2017.

BPA billings are net of Wynoochee and LaGrande/Cushman billing credits.

6. The Capital Outlay projection is based on the 2017/2018 budget.
7. Regular debt service includes the interest and principal payments on all outstanding Electric System Revenue and Refunding bonds.
8. Retail revenue in this projection is based on the Retail Sales and Forecast provided by the Rates, Planning and Analysis division.
9. On the Current Fund Cash Projections graph the most recent projection is labeled "CURRENT PROJ." Also shown are three scenarios based on estimated wholesale power sales revenues under current forward wholesale market prices and the following streamflow conditions:
 - Scenario 1 represents critical water conditions for 12 months followed by adverse water conditions.
 - Scenario 2 represents adverse water conditions.
 - Scenario 3 represents average water conditions.
10. Wholesale Sale/Purchase information provided by Power Management on November 17th, 2017.

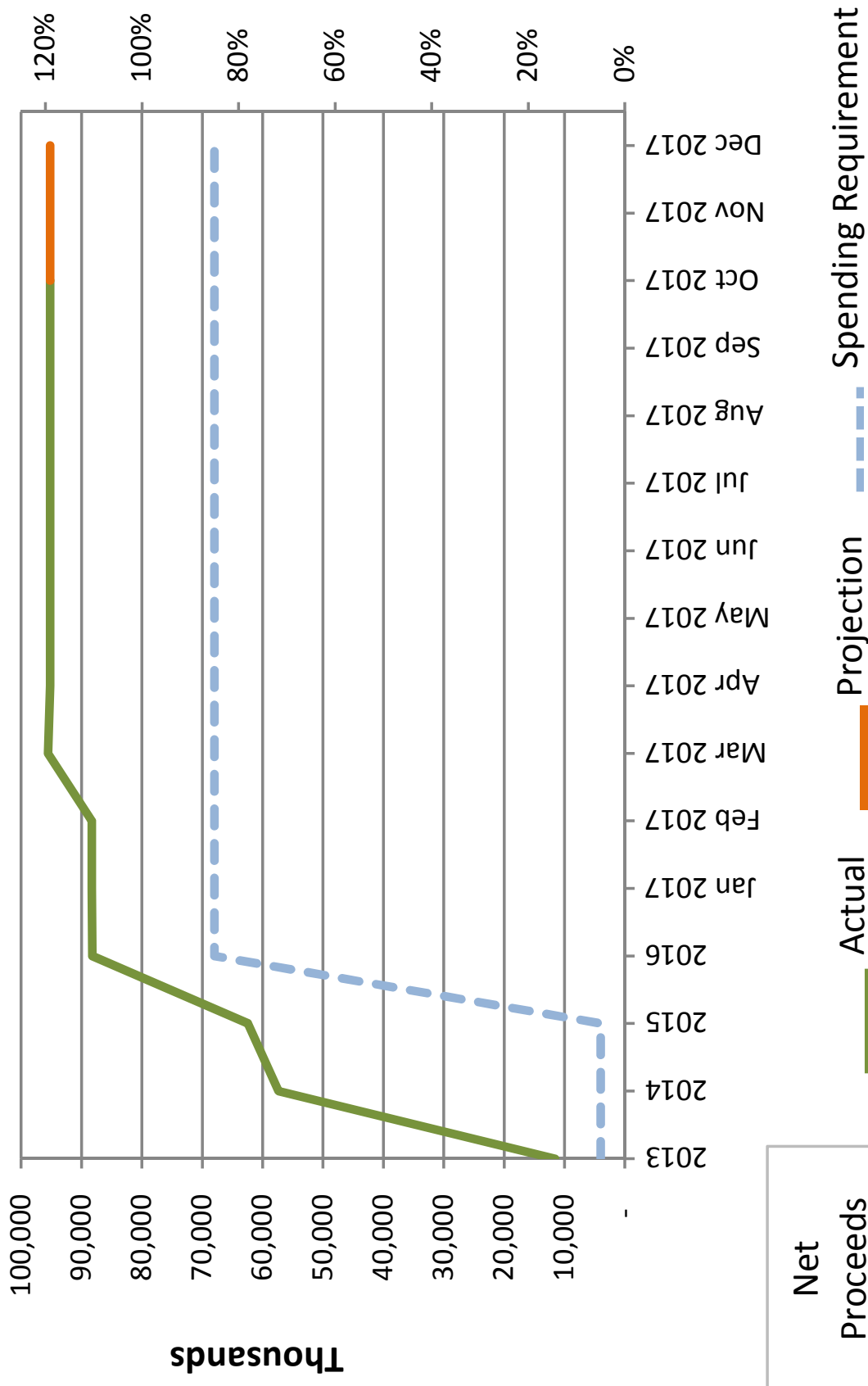
Significant Changes:

Debt Service was \$26.0 million more than projected due to the cash defeasance of a portion of the 2013A Bonds.

Supplies, Other Services & Charges came in under estimates by (\$2.5) million. These estimates are based on an even spread of the biennial budget and, therefore, will vary from actuals on a monthly basis.

Capital Outlay was \$2.7 million more than estimated for the month of October. The projections are estimates and may differ from actual spending on a monthly basis

4700-13CON Cumulative Bond Spending



Net
Proceeds
\$93,743 M

Tacoma Public Utilities
Power Bonds
As of October 31, 2017

	4700-13CON
Bond Type	Revenue Bonds
Issue Date	6/1/2013
Months Transpired	50

Construction Fund Proceeds	93,743,000
Investment Revenue	1,455,444
Period	
2013	(11,583,188)
2014	(45,757,017)
2015	(5,099,210)
2016	(25,786,936)
1/31/2017	(81,348)
2/28/2017	(12,329)
3/31/2017	(7,210,199)
4/30/2017	326,072
5/31/2017	-
6/30/2017	5,714
7/31/2017	-
8/31/2017	-
9/30/2017	-
10/31/2017	-

Total Spending	(95,198,441)
Remaining Bond Balance	3
Actual % Spent	102%
Cash Balance	3

OCTOBER

FLEET SERVICES FUND

2017

**FINANCIAL
REPORT**



Public Utility Board

MONIQUE TRUDNOWSKI

Chair

WOODROW JONES

Vice-Chair

KAREN LARKIN

Secretary

BRYAN FLINT

Member

MARK PATTERSON

Member

WILLIAM A. GAINES

Director of Utilities/CEO

DON ASHMORE

Utilities Fleet Manager

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES

FLEET SERVICES FUND

TABLE OF CONTENTS

Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.

STATEMENTS OF NET POSITION	1 - 2
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	3 - 4
SUPPLEMENTAL DATA	6 - 8

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
FLEET SERVICES FUND

STATEMENTS OF NET POSITION
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
FIXED		
Office Furniture and Equipment	\$616,901	\$616,901
Stores and Shop Equipment	719,381	692,125
Transportation Equipment	42,380,203	37,584,309
Power-Operated Equipment	16,783,385	19,464,195
Accumulated Depreciation	<u>(37,499,200)</u>	<u>(39,281,120)</u>
Total Fixed Assets	23,000,670	19,076,410
Construction Work in Progress	<u>2,614,253</u>	<u>6,852,371</u>
Net Fixed Assets	25,614,923	25,928,781
CURRENT		
Current Fund Cash & Equity in Pooled Investments	19,171,015	20,171,512
Materials and Supplies	<u>305,990</u>	<u>278,737</u>
Total Current Assets	19,477,005	20,450,249
OTHER ASSETS		
Net Pension Asset	<u>-</u>	<u>101,261</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for Pensions	<u>964,710</u>	<u>240,412</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS.....	<u><u>\$46,056,638</u></u>	<u><u>\$46,720,703</u></u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2016 Annual Report.

	2017	2016
NET POSITION AND LIABILITIES		
NET POSITION		
Net Investment in Capital Assets	\$25,614,923	\$25,928,781
Restricted for:		
Tacoma Power	18,095,346	18,095,346
Tacoma Water	7,199,933	7,199,933
Tacoma Rail	981,147	981,147
Net Pension Asset	-	101,261
Unrestricted	(7,317,227)	(6,721,061)
TOTAL NET POSITION	44,574,122	45,585,407
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable & Other	230,470	685,476
Wages Payable	129,760	122,998
Total Current Liabilities	360,230	808,474
LONG-TERM LIABILITIES		
Employee Vacation and Sick Leave Accrual	231,004	219,922
Net Pension Liability	835,359	-
Total Long-term Liabilities	1,066,363	219,922
TOTAL LIABILITIES	1,426,593	1,028,396
DEFERRED INFLOW OF RESOURCES		
Deferred Inflows for Pensions	55,923	106,900
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$46,056,638	\$46,720,703

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
FLEET SERVICES FUND

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	OCTOBER 2017	OCTOBER 2016
OPERATING REVENUE		
Maintenance Revenue	\$188,321	\$163,523
Capital Recovery	205,423	836,557
Administrative Overhead	118,657	69,118
Fuel and Fuel Loading	5,086	4,653
Pool Car Rental	9,091	-
Total Operating Revenue	526,578	1,073,851
OPERATING EXPENSES		
Repairs and Servicing		
Shop Operations	188,375	192,748
Outside Services	176	4,141
Total Repairs and Servicing	188,551	196,889
Stores Operations	28,610	24,938
Administration	213,343	107,375
Depreciation	287,190	244,745
Total Operating Expenses	717,694	573,947
OPERATING INCOME	(191,116)	499,904
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	7,041	4,019
Gain (Loss) on Disposition of Equipment	312,275	42,868
Sale of Scrap	610	13
Total Non-Operating Revenues (Expenses)	319,926	46,900
Net Income Before Transfers	128,810	546,804
Transfers In	-	-
CHANGE IN NET POSITION	\$128,810	\$546,804
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

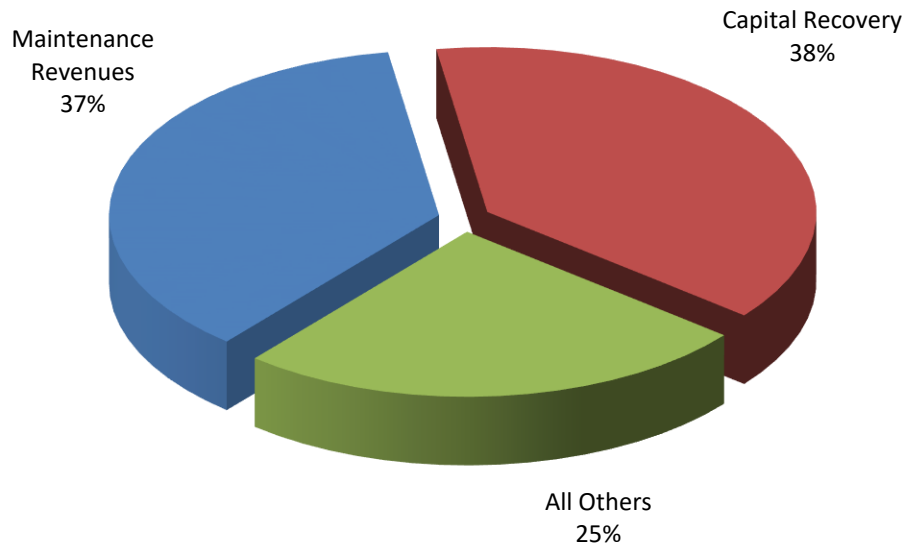
These statements should be read in conjunction with the Management Discussion and Analysis in the September 2017 Financial Report.

YEAR TO DATE			
OCTOBER 2017	OCTOBER 2016	2017/2016 VARIANCE	PERCENT CHANGE
\$1,850,797	\$1,814,450	\$36,347	2.0%
1,944,249	4,290,188	(2,345,939)	-54.7%
1,146,681	689,806	456,875	66.2%
44,984	38,550	6,434	16.7%
96,219	89,234	6,985	7.8%
5,082,930	6,922,228	(1,839,298)	-26.6%
2,153,169	2,094,626	58,543	2.8%
27,303	26,040	1,263	4.9%
2,180,472	2,120,666	59,806	2.8%
260,219	256,155	4,064	1.6%
1,280,059	1,141,991	138,068	12.1%
2,925,005	2,492,750	432,255	17.3%
6,645,755	6,011,562	634,193	10.5%
(1,562,825)	910,666	(2,473,491)	-271.6%
108,559	103,294	5,265	5.1%
433,568	195,637	237,931	121.6%
13,123	6,888	6,235	90.5%
555,250	305,819	249,431	81.6%
(1,007,575)	1,216,485	(2,224,060)	-182.8%
-	2,181	(2,181)	-100.0%
(1,007,575)	1,218,666	(\$2,226,241)	-182.7%
45,581,697	44,366,741		
<u>\$44,574,122</u>	<u>\$45,585,407</u>		

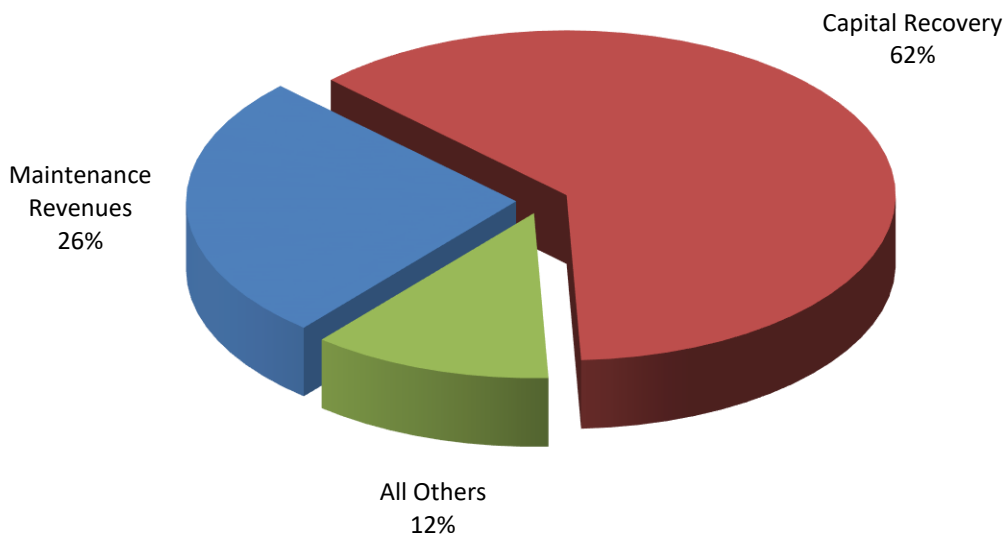
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Supplemental Data

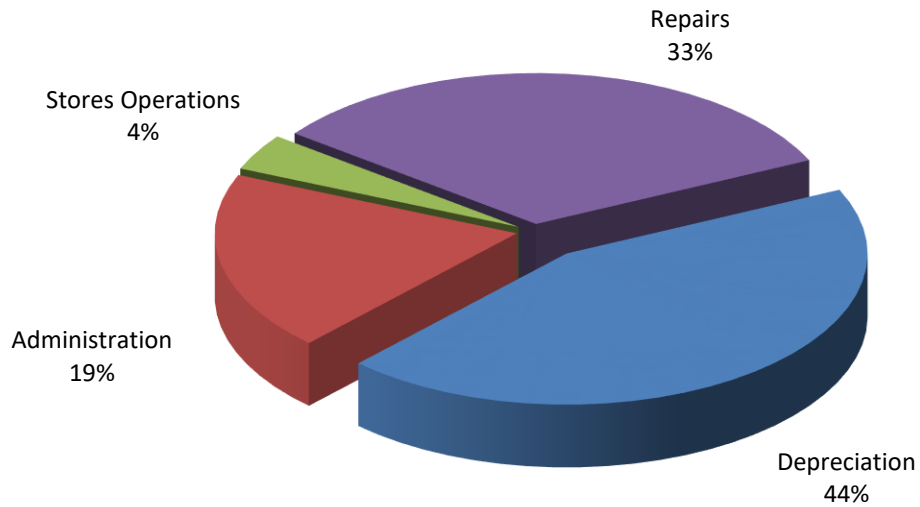
TOTAL OPERATING REVENUES
Year to Date - October 2017 (\$5,082,930)



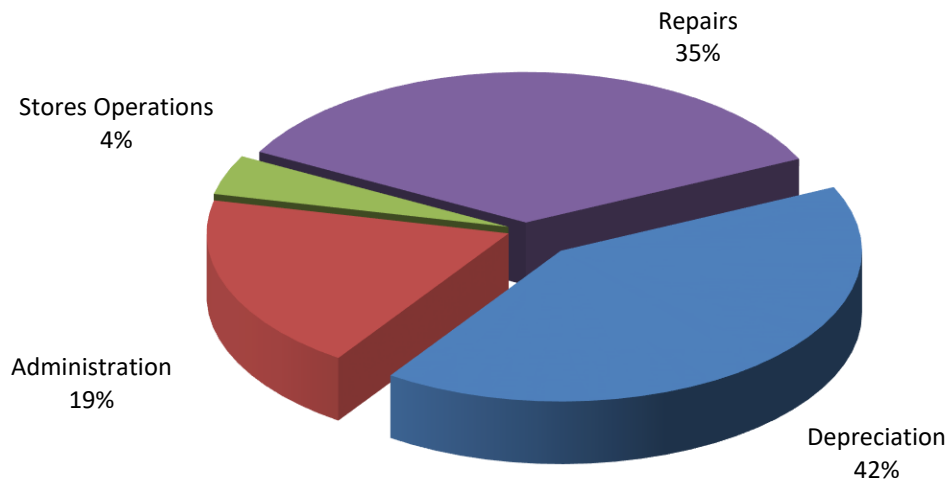
TOTAL OPERATING REVENUES
Year to Date - October 2016 (\$6,922,228)



TOTAL OPERATING EXPENSES
Year to Date - October 2017 (\$6,645,755)



TOTAL OPERATING EXPENSES
Year to Date - October 2016 (\$6,011,562)





The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.

OCTOBER

TACOMA POWER

2017

**FINANCIAL
REPORT**



Public Utility Board

MONIQUE TRUDNOWSKI
Chair

WOODROW JONES
Vice-Chair

KAREN LARKIN
Secretary

BRYAN FLINT
Member

MARK PATTERSON
Member

WILLIAM A. GAINES
Director of Utilities/CEO

CHRIS ROBINSON
Power Superintendent/COO

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, LIGHT DIVISION
Doing Business As

TACOMA POWER

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Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF NET POSITION - October 31, 2017 AND October 31, 2016

ASSETS AND DEFERRED OUTFLOWS	2017	2016
UTILITY PLANT		
Electric Plant in Service	\$2,036,644,162	\$1,913,959,571
Less Depreciation and Amortization	(1,041,652,826)	(989,237,507)
Total	994,991,336	924,722,064
Construction Work in Progress	38,445,850	95,937,160
Net Utility Plant	1,033,437,186	1,020,659,224
NON-UTILITY PROPERTY	182,051	182,051
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2010B Construction Fund	-	168,722
2013 Construction Fund	3	29,879,822
2015 Construction Fund	6,728,933	184,117
Provision for Debt Service	16,323,406	16,950,269
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve--State of Washington	2,589,343	2,561,861
Total Restricted Assets	30,639,324	54,742,430
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	147,754,998	156,806,065
Customers' and Contractors' Deposits	2,671,044	2,758,952
Conservation Loan Fund	3,688,904	3,603,195
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	16,595,884	14,527,007
Accrued Unbilled Revenue	28,587,295	29,427,771
Others	8,413,570	8,941,208
Provision for Uncollectibles	(2,841,570)	(1,864,459)
Materials and Supplies	6,746,091	6,813,702
Prepayments and Other	5,975,729	5,303,352
Total Current Assets	265,591,945	274,316,793
OTHER ASSETS		
Regulatory Asset - Conservation	47,995,043	47,289,474
Net Pension Asset	-	3,823,476
Conservation Loan Fund Receivables	2,606,799	2,575,087
Total Other Assets	50,601,842	53,688,037
Total Assets	1,380,452,348	1,403,588,535
DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	39,469,454	9,077,586
Unamortized Loss on Refunding Bonds	-	316,656
Total Deferred Outflows	39,469,454	9,394,242
TOTAL ASSETS AND DEFERRED OUTFLOWS.....	\$1,419,921,802	\$1,412,982,777

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2016 Annual Report.

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2017	2016
NET POSITION		
Net Investment in Capital Assets	\$625,287,300	\$585,790,437
Restricted for:		
Wynoochee Reserve - State of Washington	2,589,343	2,561,861
Debt Service	9,645,834	10,608,334
Net Pension Asset	-	3,823,476
Unrestricted	207,128,618	226,809,000
TOTAL NET POSITION	844,651,095	829,593,108
LONG-TERM DEBT		
2010B Electric System Refunding Bonds	147,070,000	147,070,000
2010C Electric System Refunding Bonds	24,185,000	24,185,000
2013A Electric System Rev & Refunding Bonds	115,585,000	151,460,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
2017 Electric System Revenue Bonds	70,575,000	-
Total Bonded Indebtedness	393,035,000	358,335,000
Less: Unamortized Bond Premiums	24,993,986	19,282,793
Net Bonded Indebtedness	418,028,986	377,617,793
Line of Credit	250,000	80,250,000
Total Long-Term Debt	418,278,986	457,867,793
CURRENT LIABILITIES		
Salaries and Wages Payable	4,459,853	4,092,615
Taxes and Other Payables	10,929,338	11,836,629
Purchases and Transmission of Power Accrued	11,332,851	12,049,667
Interest Payable	6,677,572	6,341,935
Customers' Deposits	2,760,332	2,728,655
Current Portion of Long-Term Debt	11,575,000	12,730,000
Current Accrued Compensated Absences	1,075,771	1,058,072
Total Current Liabilities	48,810,717	50,837,573
LONG TERM LIABILITIES		
Long Term Accrued Compensated Absences	9,681,941	9,522,650
Net Pension Liability	34,177,293	-
Other Long Term Liabilities	14,033,787	13,125,264
Total Long Term Liabilities	57,893,021	22,647,914
TOTAL LIABILITIES	524,982,724	531,353,280
DEFERRED INFLOWS		
Deferred Inflow for Pensions	2,287,983	4,036,389
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	50,287,983	52,036,389
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$1,419,921,802	\$1,412,982,777

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 31, 2017 AND October 31, 2016

	October 2017	October 2016
OPERATING REVENUES		
Sales of Electric Energy	\$27,631,348	\$25,798,038
Other Operating Revenues	1,381,304	1,427,097
Click! Network Operating Revenues	2,180,449	2,213,874
Total Operating Revenue	<u>31,193,101</u>	<u>29,439,009</u>
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	2,573,602	2,592,033
Other Production Expense	457,968	405,648
Total Expense Power Produced	3,031,570	2,997,681
Purchased Power	11,723,099	11,191,124
Total Production Expense	14,754,669	14,188,805
Transmission Expense	2,927,721	2,789,963
Distribution Expense	2,012,988	2,769,762
Click! Network Commercial Operations Expense .	2,067,667	2,066,956
Customer Accounts Expense (CIS)	1,014,939	1,169,187
Conservation and Other Customer Assistance ...	1,162,958	1,092,195
Taxes	1,184,969	1,117,226
Depreciation	4,725,587	4,625,154
Administrative and General	2,196,828	1,963,966
Total Operating Expenses	<u>32,048,326</u>	<u>31,783,214</u>
OPERATING INCOME (LOSS)	<u>(855,225)</u>	<u>(2,344,205)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	261,158	214,694
Contribution to Family Need	(8,333)	(40,000)
Other Net Non-Op Revenues and Deductions	(1,920,434)	251,958
Interest on Long-Term Debt	(1,827,397)	(1,652,293)
Amort. of Debt Related Costs	2,744,653	(25,294)
Interest Charged to Construction	107,478	344,047
Total Non-Operating Revenues (Expenses) ..	<u>(642,875)</u>	<u>(906,888)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(1,498,100)	(3,251,093)
Capital Contributions		
Cash	273,206	227,602
Donated Fixed Assets	-	-
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,404,550)	(2,266,516)
Transfers from (to) Other Funds	-	-
CHANGE IN NET POSITION	<u>(\$3,299,891)</u>	<u>(\$4,960,454)</u>
TOTAL NET POSITION - January 1		
TOTAL NET POSITION - October 31		

YEAR TO DATE		2017 OVER (UNDER) 2016	PERCENT CHANGE
October 31, 2017	October 31, 2016		
\$327,532,626	\$305,770,556	\$21,762,070	7.1%
15,421,537	15,023,685	397,852	2.6%
22,097,497	22,133,199	(35,702)	-0.2%
365,051,660	342,927,440	22,124,220	6.5%
24,464,485	23,678,638	785,847	3.3%
4,496,504	4,347,187	149,317	3.4%
28,960,989	28,025,825	935,164	3.3%
112,611,742	106,393,957	6,217,785	5.8%
141,572,731	134,419,782	7,152,949	5.3%
26,301,528	26,780,068	(478,540)	-1.8%
23,972,941	27,113,734	(3,140,793)	-11.6%
20,678,676	21,111,271	(432,595)	-2.0%
12,090,784	11,338,775	752,009	6.6%
11,295,989	10,147,477	1,148,512	11.3%
16,416,298	16,074,006	342,292	2.1%
47,663,738	46,304,063	1,359,675	2.9%
20,419,242	19,311,721	1,107,521	5.7%
320,411,927	312,600,897	7,811,030	2.5%
44,639,733	30,326,543	14,313,190	47.2%
3,255,310	2,802,820	452,490	16.1%
(83,333)	(400,000)	316,667	-79.2%
(2,005,812)	1,269,533	(3,275,345)	-258.0%
(16,554,569)	(16,300,571)	(253,998)	1.6%
3,904,007	(252,938)	4,156,945	1643.5%
1,210,189	3,342,893	(2,132,704)	-63.8%
(10,274,208)	(9,538,263)	(735,945)	7.7%
34,365,525	20,788,280	13,577,245	65.3%
12,670,036	4,318,025	8,352,011	193.4%
154,891	137,456	17,435	12.7%
3,159,097	3,161,074	(1,977)	-0.1%
(27,694,147)	(24,742,843)	(2,951,304)	11.9%
-	(2,181)	2,181	-100.0%
22,655,402	3,659,811	18,995,591	519.0%
821,995,693	825,933,297	(3,937,604)	-0.5%
\$844,651,095	\$829,593,108	15,057,987	

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2017 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS
October 31, 2017 AND October 31, 2016

	<u>For the month of October 2017</u>	<u>For the month of October 2016</u>
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$11,495,259	\$9,946,854
Commercial	2,278,168	1,998,991
General	10,225,358	9,423,643
Contract Industrial	1,951,506	1,802,691
Public Street and Highway Lighting	36,929	108,150
Sales to Other Electric Utilities	27,985	22,738
Total Sales to Customers	<u>26,015,205</u>	<u>23,303,067</u>
Bulk Power Sales	<u>1,616,143</u>	<u>2,494,971</u>
Total Sales of Electric Energy	<u>27,631,348</u>	<u>25,798,038</u>
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	145,002	125,107
Wheeling	831,828	826,919
Service Fees and Other	404,474	475,071
Telecommunications Revenue	2,180,449	2,213,874
Total Other Operating Revenues	<u>3,561,753</u>	<u>3,640,971</u>
TOTAL OPERATING REVENUES	<u><u>\$31,193,101</u></u>	<u><u>\$29,439,009</u></u>
 BILLINGS (Number of Months Billed)		
Residential	166,016	152,119
Commercial	16,466	15,247
General	2,798	2,652
Contract Industrial	2	2
Public Streets and Highway Lighting	771	746
Sales to Other Utilities	<u>1</u>	<u>1</u>
TOTAL BILLINGS	<u><u>186,054</u></u>	<u><u>170,767</u></u>

YEAR TO DATE		2017 OVER (UNDER) 2016	PERCENT CHANGE
October 31, 2017	October 31, 2016		
\$140,334,636	\$127,210,648	\$13,123,988	10.3%
24,375,396	23,118,172	1,257,224	5.4%
99,713,068	96,626,546	3,086,522	3.2%
18,422,730	17,833,430	589,300	3.3%
1,051,445	1,172,489	(121,044)	-10.3%
341,563	274,536	67,027	24.4%
284,238,838	266,235,821	18,003,017	6.8%
43,293,788	39,534,735	3,759,053	9.5%
327,532,626	305,770,556	21,762,070	7.1%
2,727,660	2,608,764	118,896	4.6%
8,347,285	8,243,054	104,231	1.3%
4,346,592	4,171,867	174,725	4.2%
22,097,497	22,133,199	(35,702)	-0.2%
37,519,034	37,156,884	362,150	1.0%
\$365,051,660	\$342,927,440	\$22,124,220	6.5%
1,589,897	1,579,838	10,059	0.6%
159,749	157,698	2,051	1.3%
25,830	26,602	(772)	-2.9%
20	20	-	0.0%
9,251	9,190	61	0.7%
10	10	-	0.0%
1,784,757	1,773,358	11,399	0.6%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - October 31, 2017 AND October 31, 2016

	For the month of October 2017	For the month of October 2016
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	23,714,000	27,947,000
Generated - Alder	13,116,000	18,128,000
TOTAL NISQUALLY	<u>36,830,000</u>	<u>46,075,000</u>
Generated - Cushman No. 1	14,206,000	25,107,000
Generated - Cushman No. 2	23,634,000	43,017,000
TOTAL CUSHMAN	<u>37,840,000</u>	<u>68,124,000</u>
Generated - Mossyrock	53,180,000	58,322,000
Generated - Mayfield	39,306,000	50,476,000
TOTAL COWLITZ	<u>92,486,000</u>	<u>108,798,000</u>
Generated - Wynoochee	<u>3,207,000</u>	<u>4,877,000</u>
Generated - Hood Street	<u>351,900</u>	<u>327,200</u>
Tacoma's Share of Priest Rapids	<u>1,338,000</u>	<u>1,628,000</u>
Tacoma's Share of GCPHA	<u>14,622,000</u>	<u>13,656,000</u>
TOTAL KWH GENERATED - TACOMA SYSTEM	186,674,900	243,485,200
Purchased Power		
BPA Slice Contract	132,216,000	151,078,000
BPA Block Contract	103,337,000	105,973,000
Interchange Net	(27,285,000)	(113,716,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	<u>394,942,900</u>	<u>386,820,200</u>
Losses	1,797,427	2,186,125
Baldi Replacement	131,439	172,040
Ketron	20,304	21,054
NT PC Mutuals Schedules	(2,524,000)	(2,131,000)
PC Mutual Inadvertent	55,704	(462,963)
TACOMA SYSTEM FIRM LOAD	<u>394,423,774</u>	<u>386,605,456</u>
Maximum Kilowatts (System Firm Load)	726,116	680,441
Average Kilowatts (System Firm Load)	530,139	519,631
PIERCE COUNTY MUTUAL LOAD	118,361,000	111,772,000
KWH BILLED		
Residential Sales	120,337,757	112,569,764
Commercial Sales	25,000,565	22,435,818
General	156,762,070	155,456,365
Contract Industrial	44,263,860	43,144,560
Public Street and Highway Lighting	739,691	2,456,364
Sales to Other Electric Utilities	492,300	426,600
TOTAL FIRM	<u>347,596,243</u>	<u>336,489,471</u>
Bulk Power Sales	<u>60,414,000</u>	<u>120,320,000</u>
TOTAL KWH BILLED	<u><u>408,010,243</u></u>	<u><u>456,809,471</u></u>

YEAR TO DATE		2017 OVER (UNDER) 2016	PERCENT CHANGE
October 31 2017	October 31 2016		
312,445,000	291,362,000	21,083,000	7.2%
175,973,000	194,769,000	(18,796,000)	-9.7%
488,418,000	486,131,000	2,287,000	0.5%
102,530,000	123,995,000	(21,465,000)	-17.3%
159,177,000	208,044,000	(48,867,000)	-23.5%
261,707,000	332,039,000	(70,332,000)	-21.2%
1,005,032,000	927,775,000	77,257,000	8.3%
687,285,000	599,694,000	87,591,000	14.6%
1,692,317,000	1,527,469,000	164,848,000	10.8%
24,389,000	25,961,000	(1,572,000)	-6.1%
2,562,200	2,670,700	(108,500)	-4.1%
23,565,000	22,044,000	1,521,000	6.9%
228,781,000	253,625,000	(24,844,000)	-9.8%
2,721,739,200	2,649,939,700	71,799,500	2.7%
2,108,099,000	1,862,515,000	245,584,000	13.2%
1,248,777,000	1,234,540,000	14,237,000	1.2%
(2,045,523,000)	(1,872,184,000)	(173,339,000)	9.3%
4,033,092,200	3,874,810,700	158,281,500	4.1%
32,286,695	36,144,999	(3,858,304)	-10.7%
690,604	1,656,030	(965,426)	-58.3%
229,293	188,863	40,430	21.4%
(24,843,000)	(22,473,000)	(2,370,000)	10.5%
23,822,551	2,668,675	21,153,876	792.7%
4,065,278,343	3,892,996,267	172,282,076	4.4%
1,211,052,000	1,127,254,000	83,798,000	7.4%
1,610,887,288	1,498,024,809	112,862,479	7.5%
274,329,185	263,588,772	10,740,413	4.1%
1,618,561,513	1,626,029,154	(7,467,641)	-0.5%
422,553,780	421,981,040	572,740	0.1%
22,768,238	26,584,068	(3,815,830)	-14.4%
6,219,000	5,136,300	1,082,700	21.1%
3,955,319,004	3,841,344,143	113,974,861	3.0%
2,332,909,000	2,110,867,000	222,042,000	10.5%
6,288,228,004	5,952,211,143	336,016,861	5.6%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
COMMERCIAL OPERATIONS

OPERATIONAL SUMMARY - October 31, 2017

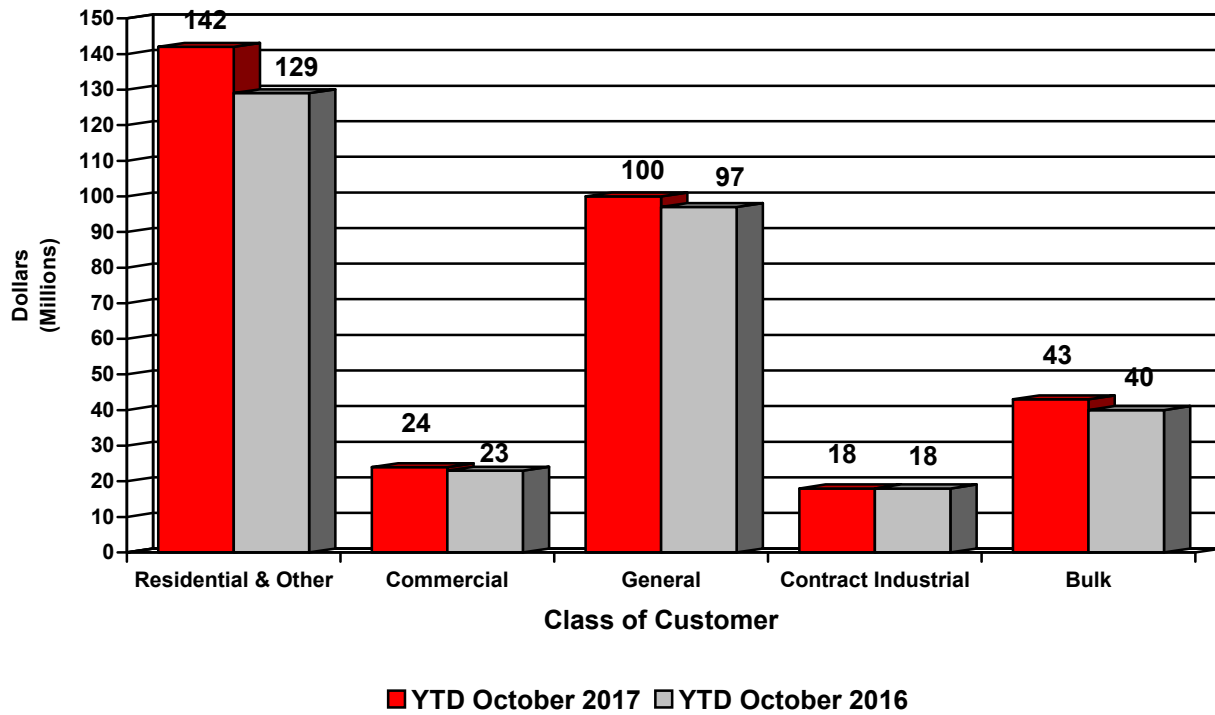
	October 2017	October 2016
TELECOMMUNICATIONS REVENUE		
CATV	\$1,443,111	\$1,489,752
Broadband	94,166	94,249
ISP	620,526	607,225
Interdepartmental	22,646	22,648
Total Operating Revenue	<u>2,180,449</u>	<u>2,213,874</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	268,756	264,790
General Expense	44,906	47,032
Contract Services	1,097,286	1,072,324
IS & Intergovernmental Services	137,678	145,634
Fleet Services	283	213
Capitalized A & G Expense	(4,207)	(8,018)
Total Admin. & Sales Expense	<u>1,544,702</u>	<u>1,521,975</u>
Operations & Maintenance Expense ...		
Salaries & Wages Expense	401,740	452,146
General Expense	43,451	30,249
Contract Services	64,215	46,120
IS & Intergovernmental Services	7,319	3,257
Fleet Services	20,047	36,692
New Connect Capital	(13,807)	(23,483)
Total Oper. & Maint. Expense	<u>522,965</u>	<u>544,981</u>
Total Telecommunications Expense .	2,067,667	2,066,956
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	112,782	146,918
Taxes	300,652	306,843
Depreciation and Amortization	<u>203,591</u>	<u>219,266</u>
	504,243	526,109
NET OPERATING REVENUES (EXPENSES)	<u>(391,461)</u>	<u>(379,191)</u>

YEAR TO DATE			
October 31 2017	October 31 2016	2017/2016 VARIANCE	PERCENT CHANGE
\$14,838,508	\$15,025,080	(\$186,572)	-1.2%
909,378	967,828	(58,450)	-6.0%
6,116,498	5,880,856	235,642	4.0%
233,113	259,435	(26,322)	-10.1%
<u>22,097,497</u>	<u>22,133,199</u>	<u>(35,702)</u>	-0.2%
2,660,352	2,703,680	(43,328)	-1.6%
366,816	508,818	(142,002)	-27.9%
11,025,135	11,015,441	9,694	0.1%
1,313,109	1,194,405	118,704	9.9%
7,090	3,659	3,431	93.8%
(34,406)	(45,028)	10,622	23.6%
<u>15,338,096</u>	<u>15,380,975</u>	<u>(42,879)</u>	-0.3%
4,374,284	4,572,244	(197,960)	-4.3%
350,378	378,212	(27,834)	-7.4%
446,033	533,103	(87,070)	-16.3%
43,299	32,955	10,344	31.4%
230,697	360,793	(130,096)	-36.1%
(104,111)	(147,011)	42,900	29.2%
<u>5,340,580</u>	<u>5,730,296</u>	<u>(389,716)</u>	-6.8%
20,678,676	21,111,271	(432,595)	-2.0%
1,418,821	1,021,928	396,893	38.8%
3,060,603	3,053,147	7,456	0.2%
2,048,292	2,235,703	(187,411)	-8.4%
<u>5,108,895</u>	<u>5,288,850</u>	<u>(179,955)</u>	
<u>(3,690,074)</u>	<u>(4,266,922)</u>	<u>576,848</u>	13.5%

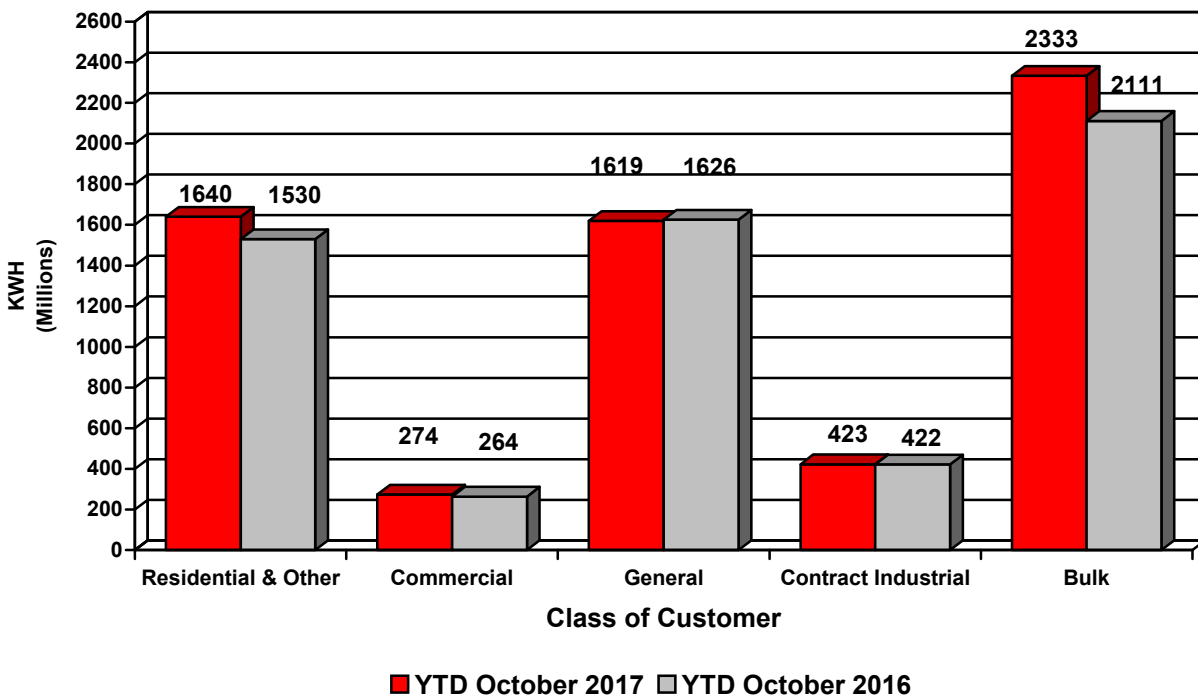
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Supplemental Data

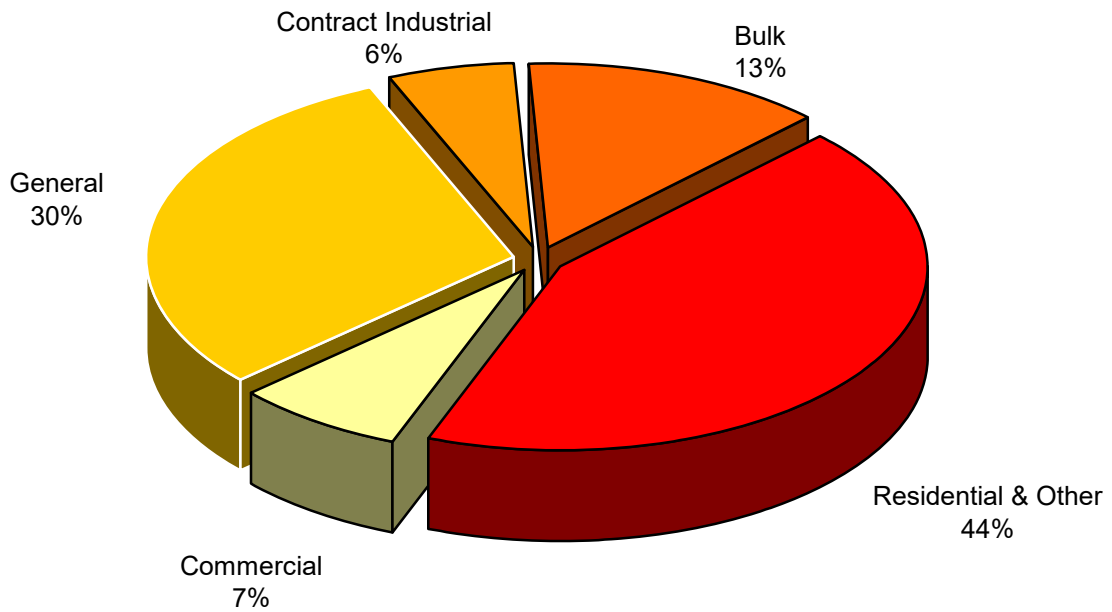
SALES OF ELECTRIC ENERGY
Year to Date - October 2017 & 2016



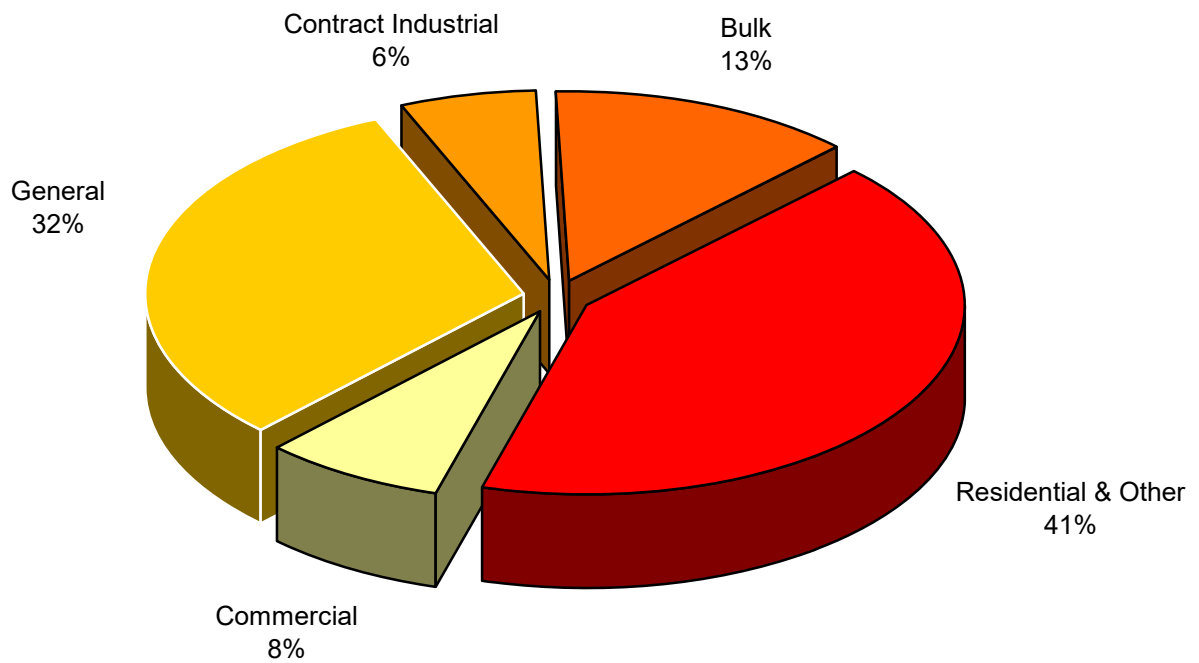
TOTAL POWER BILLED
Year to Date - October 2017 & 2016



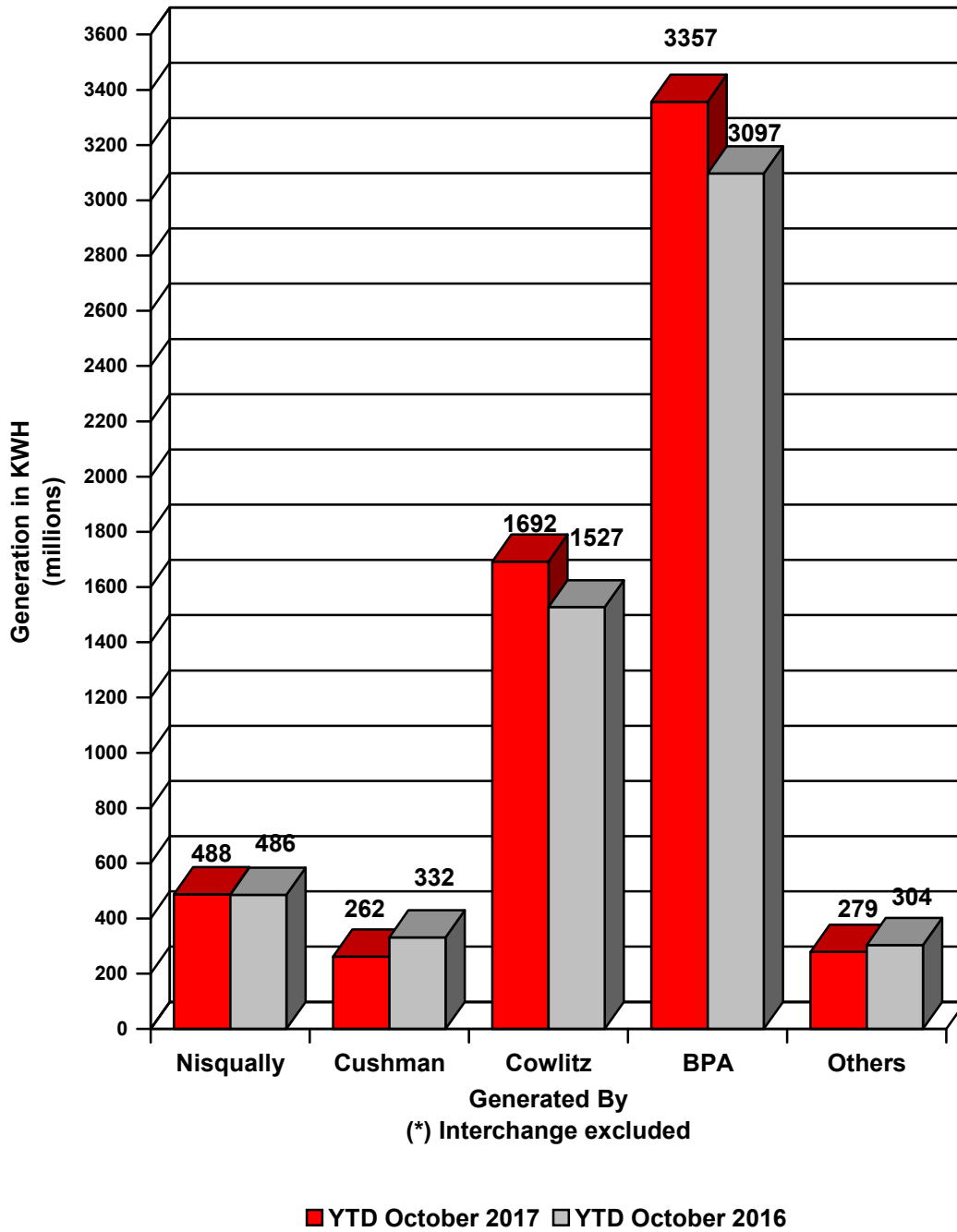
SALES OF ELECTRIC ENERGY
Year to Date - October 2017 (\$327,532,626)



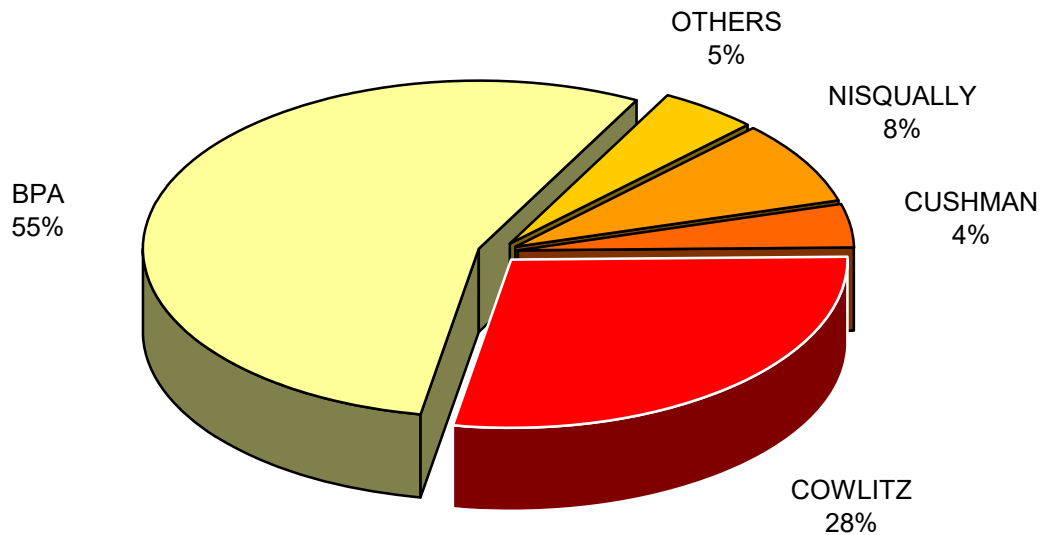
SALES OF ELECTRIC ENERGY
Year to Date - October 2016 (\$305,770,556)



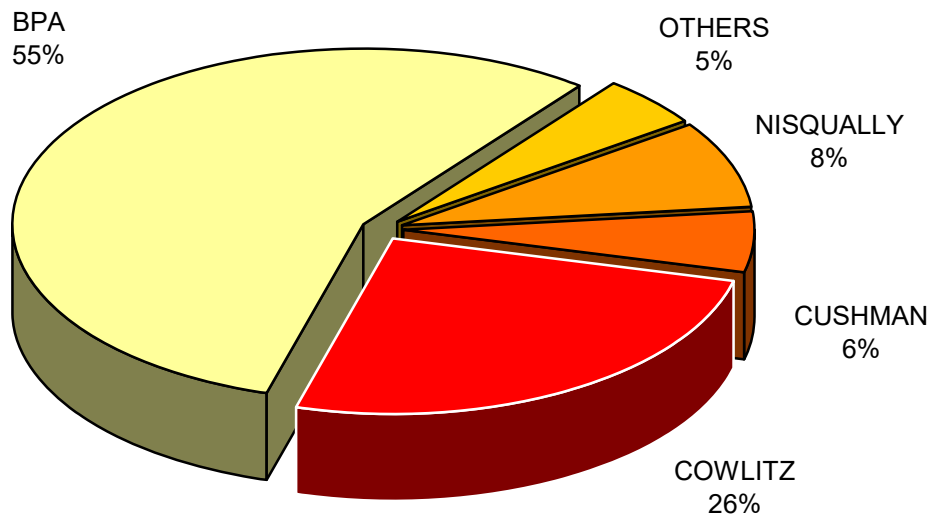
POWER SOURCES (*)
Year to Date October 2017 & 2016



POWER SOURCES (*)
Year to Date - October 2017

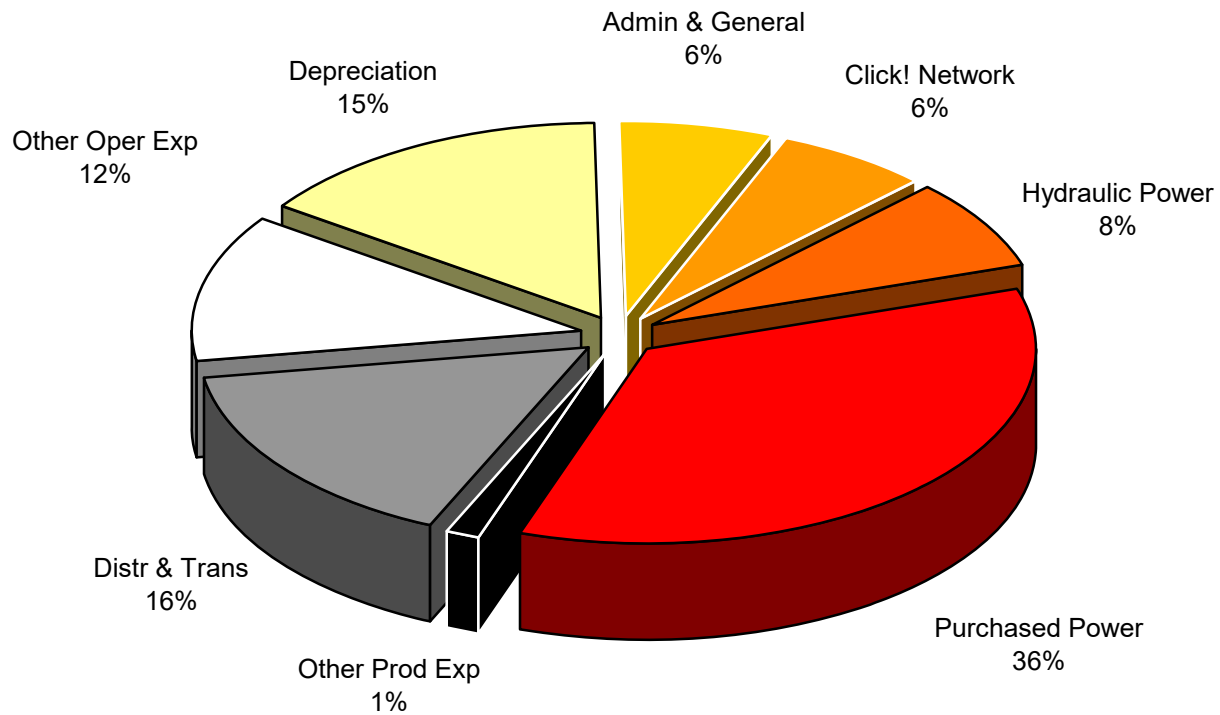


POWER SOURCES (*)
Year to Date - October 2016

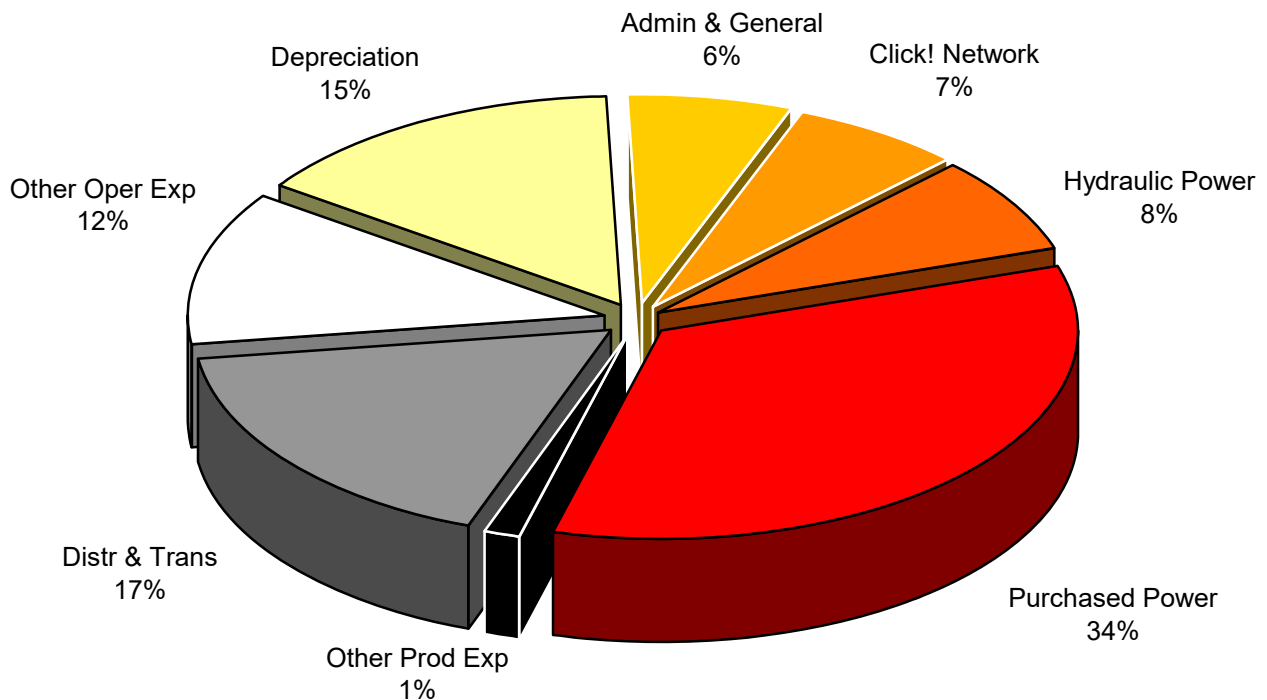


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
Year to Date - October 2017 (\$320,411,927)



TOTAL OPERATING EXPENSES *
Year to Date - October 2016 (\$312,600,897)



* City Gross Earnings Taxes are not included in Total Operating Expenses.



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OCTOBER

TACOMA RAIL

2017

**FINANCIAL
REPORT**



Public Utility Board

MONIQUE TRUDNOWSKI

Chair

WOODROW JONES

Vice-Chair

KAREN LARKIN

Secretary

BRYAN FLINT

Member

MARK PATTERSON

Member

WILLIAM A. GAINES

Director of Utilities/CEO

DALE KING

Rail Superintendent

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, BELT LINE DIVISION
Doing Business As

TACOMA RAIL

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Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF NET POSITION

ASSETS	OCTOBER 31,	
	2017	2016
CAPITAL ASSETS		
Road and Equipment Property	\$43,727,752	\$41,313,215
Less Accumulated Depreciation	(19,793,587)	(18,601,988)
Total	23,934,165	22,711,227
Construction Work in Progress	2,983,039	3,757,671
Net Capital Assets	26,917,204	26,468,898
 SPECIAL FUNDS		
Cash and Equity in Pooled Investments:		
Debt Service Funds	-	21,701
Total Special Funds	-	21,701
 CURRENT ASSETS		
Cash & Equity in Pooled Investments	9,472,826	9,117,792
Customer Accounts Receivable	2,625,308	3,184,055
Prepayments	1,424,890	1,542,493
Materials and Supplies Inventory.....	1,092,848	1,022,705
Total Current Assets	14,615,872	14,867,045
 TOTAL ASSETS	\$41,533,076	\$41,357,644

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2016 Annual Report.

	OCTOBER 31,	OCTOBER 31,
NET POSITION AND LIABILITIES	2017	2016
NET POSITION		
Net Investment in Capital Assets.....	\$20,782,477	\$20,163,383
Restricted for:		
Debt Service	-	21,701
Unrestricted	9,256,727	9,080,570
TOTAL NET POSITION	30,039,204	29,265,654
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
State Loans.....	5,314,478	5,525,665
Total Long-Term Liabilities	5,314,478	5,525,665
CURRENT LIABILITIES		
Accounts Payable	481,355	388,605
Customer Deposits	-	10,500
Wages Payable	517,828	460,788
Unemployment and other Tax Payables	193,933	328,643
Volume Incentive Payable	-	833,333
Current Portion of Long Term Debt	820,250	779,850
Interest Payable	-	3,978
Current Portion of Compensated Absences	111,516	113,117
Total Current Liabilities	2,124,882	2,918,814
LONG-TERM LIABILITIES		
On the Job Injury Reserve	809,945	753,098
Long Term Portion of Compensated Absences	1,003,644	1,018,056
Other Long-Term Liabilities	2,240,923	1,876,357
Total Long-Term Liabilities	4,054,512	3,647,511
TOTAL LIABILITIES	11,493,872	12,091,990
TOTAL NET POSITION AND LIABILITIES	\$41,533,076	\$41,357,644

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	OCTOBER 2017	OCTOBER 2016
OPERATING REVENUES		
Switching Revenues	\$1,930,947	\$2,292,222
Demurrage and Other Operating Revenues	344,337	269,836
Total Operating Revenues	2,275,284	2,562,058
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	83,052	79,650
Supplies and Expense	108,149	449,176
Mechanical		
Salaries and Wages	170,340	158,153
Supplies and Expense	308,598	188,181
Operations		
Salaries and Wages	786,705	854,359
Supplies and Expense	136,898	126,099
Administration		
Salaries and Wages	195,200	171,409
Supplies and Expense	253,057	415,475
Taxes - State	32,058	45,532
Depreciation	152,340	122,581
Total Operating Expenses	2,226,397	2,610,615
Net Operating Income	48,887	(48,557)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	8,398	7,695
Loss from Disposition of Property	(649,715)	-
Miscellaneous	71,770	98,989
Interest Expense	-	(573)
Total Non-Operating Revenues	(569,547)	106,111
Contributions - Grants	-	-
Contributions - Others	-	-
Total Contributions	-	-
Transfers		
City of Tacoma Gross Earnings Tax	(136,459)	(260,981)
Total Transfers	(136,459)	(260,981)
CHANGE IN NET POSITION	(\$657,119)	(\$203,427)
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2017 Financial Report.

YEAR TO DATE			
OCTOBER 31, 2017	OCTOBER 31, 2016	2017/2016 VARIANCE	PERCENT CHANGE
\$22,275,067	\$22,918,871	(\$643,804)	-2.8%
3,334,625	2,839,344	495,281	17.4%
25,609,692	25,758,215	(148,523)	-0.6%
773,699	855,040	(81,341)	-9.5%
1,071,115	1,718,860	(647,745)	-37.7%
1,627,383	1,653,019	(25,636)	-1.6%
2,640,937	2,238,749	402,188	18.0%
8,173,093	8,034,241	138,852	1.7%
1,359,078	1,220,005	139,073	11.4%
1,969,959	1,908,293	61,666	3.2%
3,544,162	4,073,890	(529,728)	-13.0%
361,082	375,830	(14,748)	-3.9%
1,379,436	1,227,651	151,785	12.4%
22,899,944	23,305,578	(405,634)	-1.7%
2,709,748	2,452,637	257,111	10.5%
105,028	97,142	7,886	8.1%
(649,715)	-	-	-100.0%
878,087	1,079,959	(201,872)	-18.7%
(6)	(11,655)	11,649	-99.9%
333,394	1,165,446	(832,052)	-71.4%
-	801,949	(801,949)	-100.0%
36,254	4,110	32,144	782.1%
36,254	806,059	(769,805)	-95.5%
(2,074,090)	(2,200,149)	(126,059)	-5.7%
(2,074,090)	(2,200,149)	(126,059)	-5.7%
1,005,306	2,223,993	(\$1,218,687)	-54.8%
29,033,898	27,041,661		
<u>\$30,039,204</u>	<u>\$29,265,654</u>		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	October 2017	October 2016
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$691,878	\$1,094,434
LINE HAULS--COMMERCIAL	968,025	1,029,675
LINE HAULS--CAPITAL DIVISION	17,529	20,889
MISCELLANEOUS SWITCHES	253,515	147,224
TOTAL SWITCHING REVENUES	<u>\$1,930,947</u>	<u>\$2,292,222</u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	3,844	6,471
LINE HAULS--COMMERCIAL	1,889	2,227
LINE HAULS--CAPITAL DIVISION	42	50
MISCELLANEOUS SWITCHES	1,692	403
TOTAL CARS SWITCHED	<u>7,467</u>	<u>9,151</u>

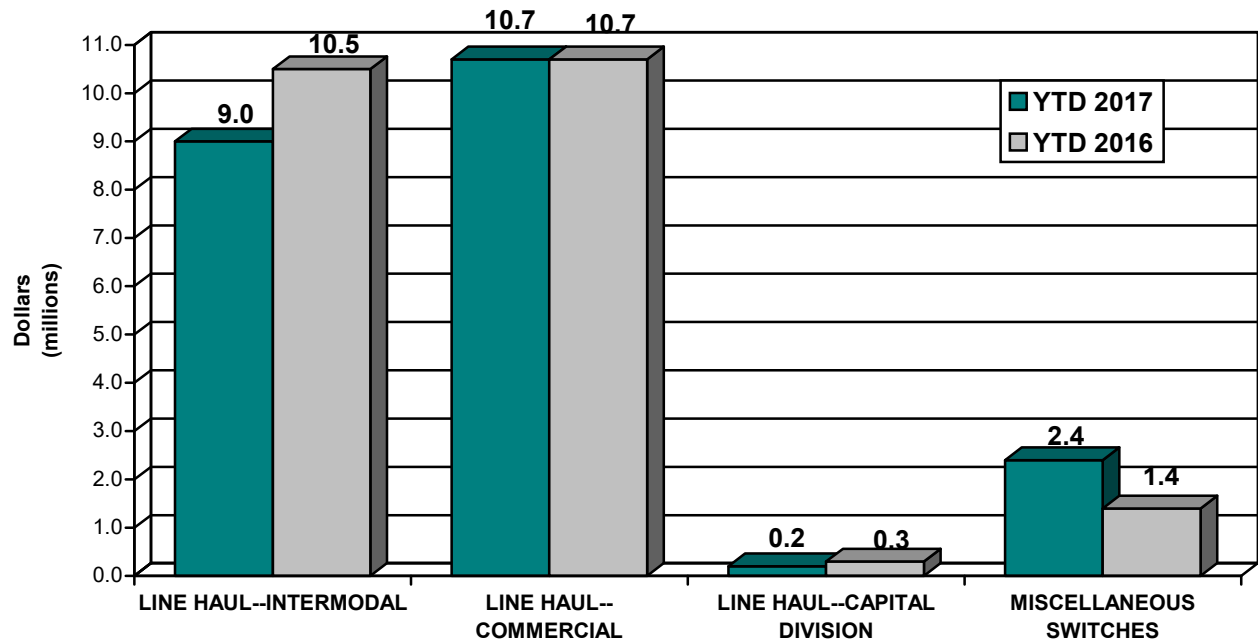
* The Summary of Switching Activities (Cars) includes an update to allocations for 2016.

YEAR TO DATE			
October 31, 2017	October 31, 2016	2017/2016 VARIANCE	PERCENT CHANGE
\$8,968,221	\$10,529,503	(\$1,561,282)	-14.8%
10,689,230	10,722,585	(33,355)	-0.3%
234,974	282,422	(47,448)	-16.8%
<u>2,382,642</u>	<u>1,384,361</u>	<u>998,281</u>	<u>72.1%</u>
<u>\$22,275,067</u>	<u>\$22,918,871</u>	<u>(\$643,804)</u>	<u>-2.8%</u>
51,823	63,047	(11,224)	-17.8%
23,302	25,312	(2,010)	-7.9%
563	666	(103)	-15.5%
<u>13,762</u>	<u>3,066</u>	<u>10,696</u>	<u>348.9%</u>
<u>89,450</u>	<u>92,091</u>	<u>(2,641)</u>	<u>-2.9%</u>

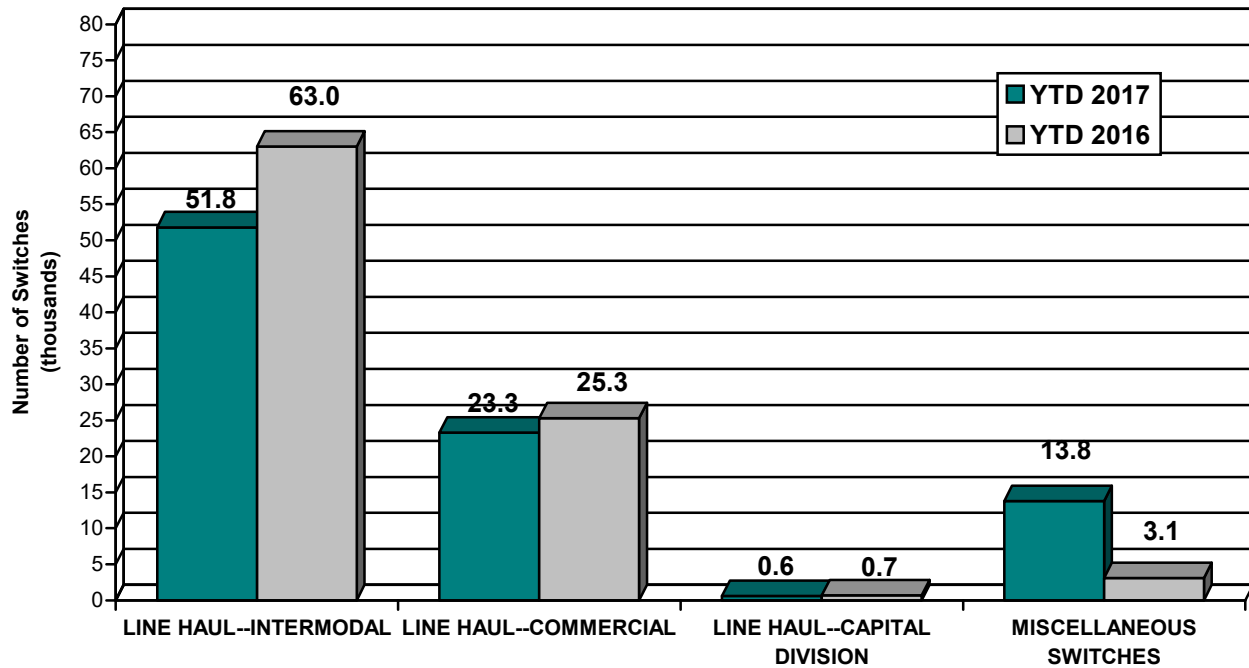
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Supplemental Data

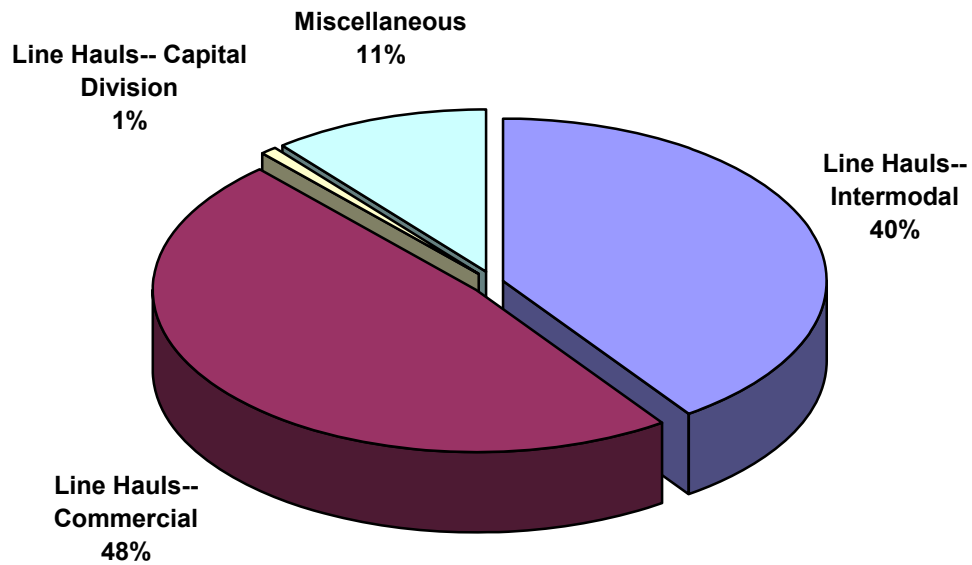
SWITCHING REVENUES
Year to Date - October 2017 & 2016



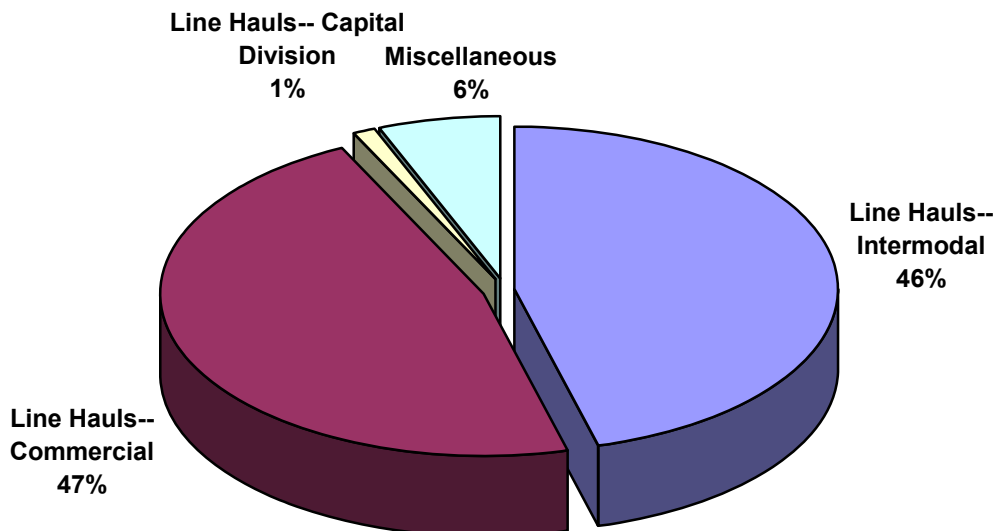
SWITCHING ACTIVITIES
Year to Date - October 2017 & 2016



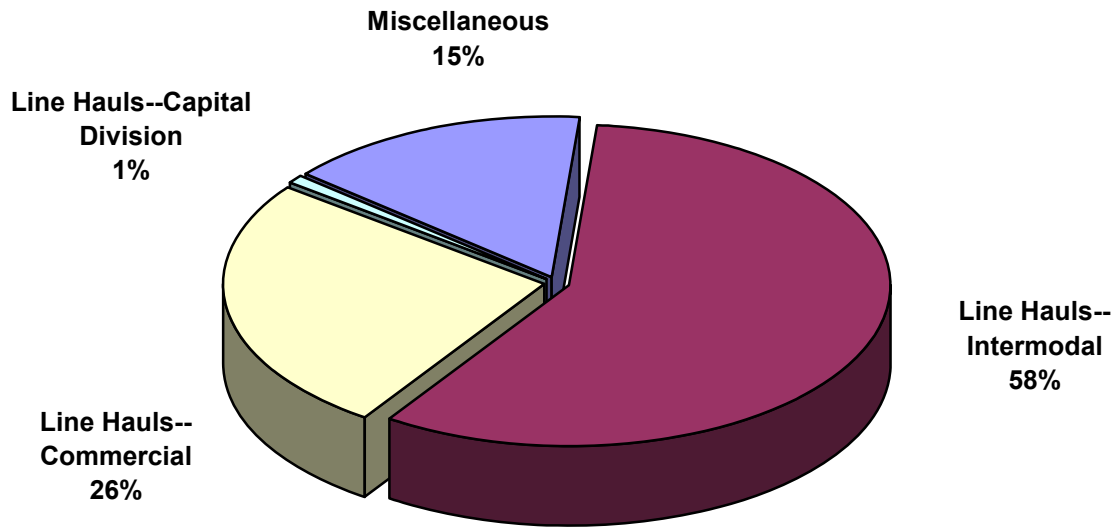
SWITCHING REVENUES
Year to Date - October 2017 (\$22,275,067)



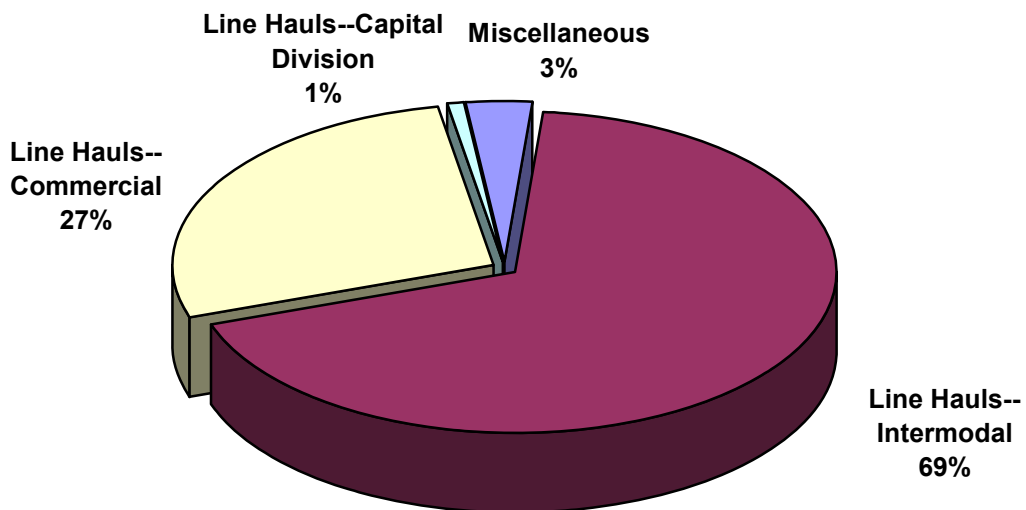
SWITCHING REVENUES
Year to Date - October 2016 (\$22,918,871)



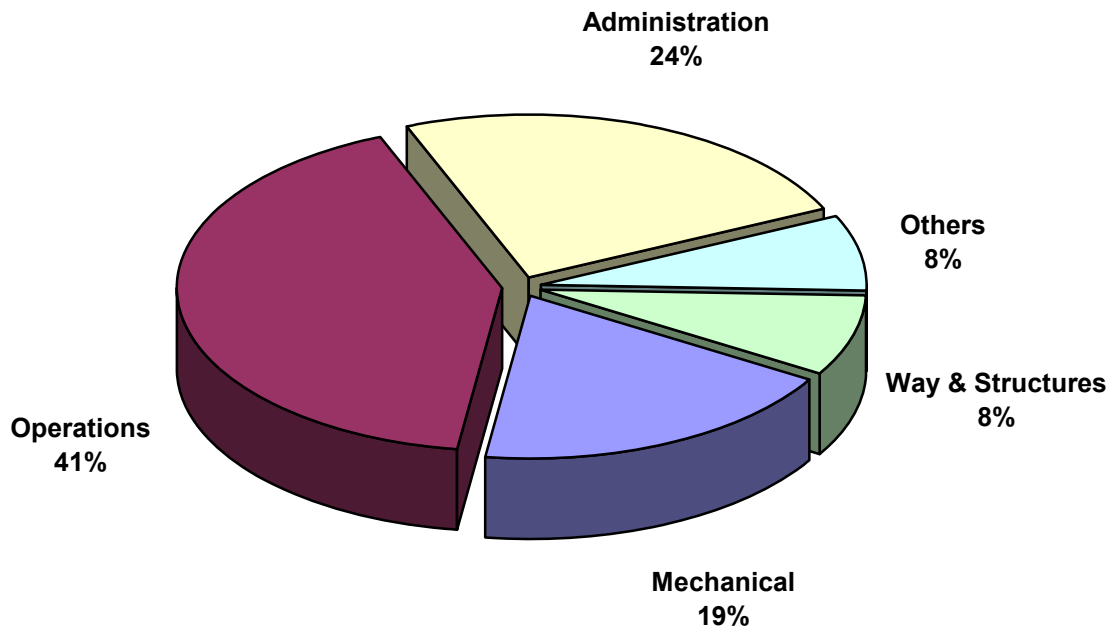
SWITCHING ACTIVITY
Year to Date - October 2017 (89,450 cars)



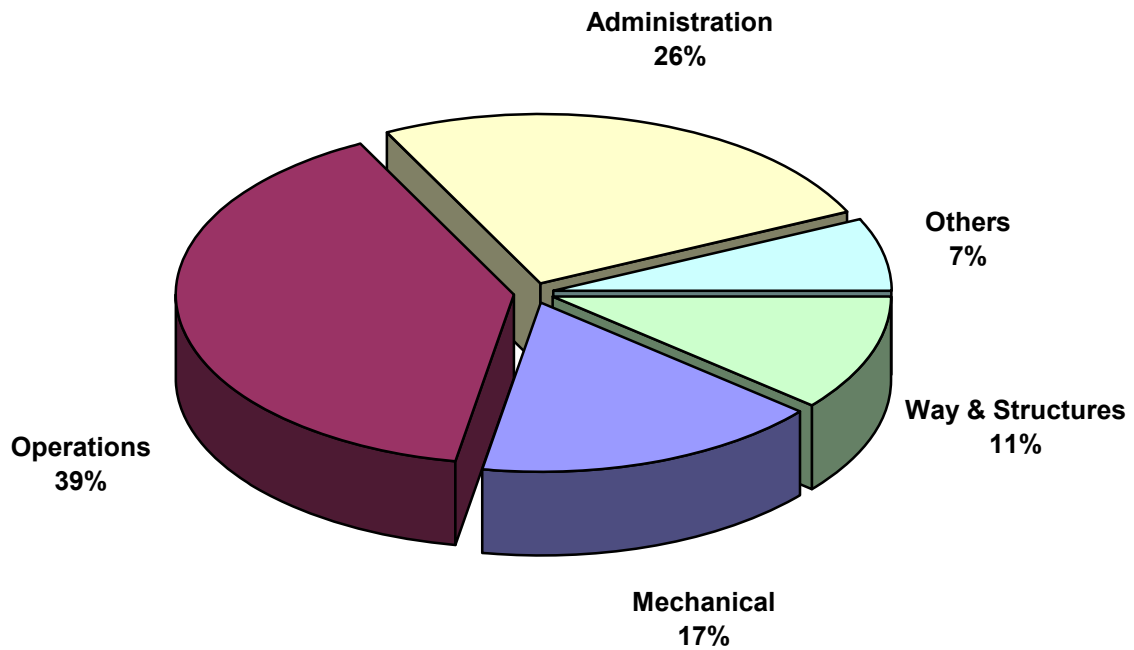
SWITCHING ACTIVITY
Year to Date - October 2016 (92,091 cars)



TOTAL OPERATING EXPENSES
Year to Date - October 2017 (\$22,899,944)



TOTAL OPERATING EXPENSES
Year to Date - October 2016 (\$23,305,578)





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OCTOBER

SELF-INSURANCE CLAIM FUND

2017

**FINANCIAL
REPORT**



Public Utility Board

MONIQUE TRUDNOWSKI

Chair

WOODROW JONES

Vice-Chair

KAREN LARKIN

Secretary

BRYAN FLINT

Member

MARK PATTERSON

Member

WILLIAM A. GAINES

Director of Utilities/CEO

CHRIS ROBINSON

Power Superintendent/COO

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES

SELF-INSURANCE CLAIM FUND

TABLE OF CONTENTS

Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
SELF-INSURANCE CLAIM FUND

STATEMENTS OF NET POSITION - OCTOBER 31, 2017 AND OCTOBER 31, 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT		
Cash and Equity in Pooled Investments	<u>\$6,885,591</u>	<u>\$7,511,297</u>
TOTAL ASSETS	<u><u>\$6,885,591</u></u>	<u><u>\$7,511,297</u></u>
NET POSITION AND LIABILITIES		
NET POSITION		
Restricted:		
Interfund Contributions	<u>\$1,538,202</u>	<u>\$2,418,518</u>
TOTAL NET POSITION	<u>1,538,202</u>	<u>2,418,518</u>
CURRENT LIABILITIES		
Accounts Payable Claims	5,345,505	5,089,089
Accounts Payable Claims Handling	<u>1,884</u>	<u>3,690</u>
TOTAL LIABILITIES	<u>5,347,389</u>	<u>5,092,778</u>
TOTAL NET POSITION AND LIABILITIES	<u><u>\$6,885,591</u></u>	<u><u>\$7,511,297</u></u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2016 Annual Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
SELF-INSURANCE CLAIM FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	OCTOBER 2017	OCTOBER 2016
INCOME		
Premiums	\$128,333	\$103,333
Interest	6,981	6,010
	<hr/>	<hr/>
TOTAL INCOME	135,314	109,343
 EXPENSES		
Claims	1,496	19,008
Litigation Expense and Settlements	15,725	35,288
Incidental and Administrative Expense	10,622	9,810
	<hr/>	<hr/>
TOTAL EXPENSES	27,843	64,106
	<hr/>	<hr/>
CHANGE IN NET POSITION	\$107,471	\$45,237
	<hr/>	<hr/>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2017 Financial Report.

YEAR-TO-DATE			
OCTOBER 2017	OCTOBER 2016	2017/2016 VARIANCE	PERCENT CHANGE
\$950,000	\$1,033,333	\$ (83,333)	-8.1%
91,039	73,211	17,828	24.4%
1,041,039	1,106,544	(65,505)	-5.9%
1,903,709	623,987	1,279,722	205.1%
289,100	110,511	178,589	161.6%
116,479	101,997	14,482	14.2%
2,309,288	836,495	1,472,793	176.1%
(1,268,249)	270,049	(1,538,298)	-569.6%
2,806,451	2,148,469	657,982	
\$1,538,202	\$2,418,518	(\$880,316)	



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OCTOBER

TACOMA WATER

2017

**FINANCIAL
REPORT**



Public Utility Board

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SCOTT DEWHIRST
Water Superintendent

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES
CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, WATER DIVISION
Doing Business As

TACOMA WATER

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

STATEMENTS OF NET POSITION - OCTOBER 31, 2017 AND OCTOBER 31, 2016

ASSETS AND DEFERRED OUTFLOWS	<u>2017</u>	<u>2016</u>
UTILITY PLANT		
Water Plant in Service	\$1,080,941,723	\$1,065,698,512
Less Depreciation and Amortization	<u>(234,656,843)</u>	<u>(213,904,814)</u>
Total	846,284,880	851,793,698
Construction Work in Progress	<u>27,100,334</u>	<u>25,520,374</u>
Net Utility Plant	<u>873,385,214</u>	<u>877,314,072</u>
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2010 Construction Fund	18,479,659	25,714,551
2013 Construction Fund	15,555,724	17,409,209
Regional Water Supply System Operating Fund	1,128,202	644,957
Provision for Debt Payment	12,429,847	12,432,905
Customer Water Main Deposits	3,268,885	3,198,001
Water Supply Forum Fund	357,087	267,162
Special Bond Reserves	22,103,295	22,100,087
Water Customer Contribution Fund	(203,504)	(545,102)
Water Capital Reserves	29,708,816	26,780,395
Water System Development Charge	<u>61,593,224</u>	<u>58,011,898</u>
Total Restricted Assets	164,421,235	166,014,063
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	60,374,453	55,730,183
Customers' Deposits	321,360	326,394
Receivables:		
Customers	5,788,578	5,838,958
Accrued Unbilled Revenues	4,797,144	4,935,000
Others	1,016,745	906,485
BABs Interest Subsidies	1,600,320	1,489,900
Provision for Uncollectible Accounts	(450,631)	(391,753)
Materials and Supplies	2,271,011	2,459,476
Prepayments	<u>912,254</u>	<u>750,924</u>
Total Current Assets	<u>76,631,234</u>	<u>72,045,567</u>
TOTAL ASSETS	<u>1,114,930,646</u>	<u>1,115,866,665</u>
OTHER ASSETS		
Regulatory Assets - Public Fire Protection Fees	667,118	1,494,690
Regulatory Assets - Surcharges	1,470,959	1,588,067
Net Pension Asset	<u>-</u>	<u>881,279</u>
Total Other Assets	2,138,077	3,964,036
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	1,394,636	1,675,958
Deferred Outflows for Pensions	<u>8,994,103</u>	<u>2,092,307</u>
Total Deferred Outflows	10,388,739	3,768,265
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$1,127,457,462</u>	<u>\$1,123,598,966</u>

These statements should be read in conjunction with the Notes to Financial statements contained in the 2016 Annual Report.

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2017	2016
NET POSITION		
Net Investment in Capital Assets	\$440,975,401	\$439,468,438
Restricted for:		
Water Capital Reserves	24,120,418	20,712,992
Water System Development Charge	26,017,777	22,436,451
Debt Service Funds	4,437,985	4,391,697
Pension Asset	-	881,279
Unrestricted	64,112,736	61,629,040
TOTAL NET POSITION	559,664,317	549,519,897
LONG-TERM DEBT		
Revenue Bonds Outstanding:		
2005 Water Revenue Bonds Refunding	5,000	5,000
2009 Water Revenue Bonds	76,775,000	76,775,000
2010 Water Revenue Bonds Refunding	25,825,000	26,395,000
2010 Water Revenue Bonds	74,985,000	74,985,000
2013 Water Revenue Bonds Refunding	74,355,000	74,355,000
2015 Water Refunding Bonds, Series A	13,800,000	16,645,000
2015 Water Refunding Bonds, Series B	-	1,785,000
2010 RWSS Revenue Bonds, Series A	2,245,000	2,525,000
2010 RWSS Revenue Bonds, Series B	44,245,000	44,245,000
2013 RWSS Refunding Bonds	60,165,000	60,910,000
Total Outstanding Revenue Bonds	372,400,000	378,625,000
Plus: Unamortized Bond Premium	12,315,231	13,923,637
Net Outstanding Revenue Bonds	384,715,231	392,548,637
PWTF Pre-Construction Loans	640,609	800,783
PWTF Construction Loans	19,370,627	21,907,224
State Drinking Water Loans	65,612,800	69,844,046
Total Long-Term Debt	470,339,267	485,100,690
CURRENT LIABILITIES		
Salaries and Wages Payable	1,039,701	918,480
Purchases and Contracts Payable	742,738	1,016,370
Interest Expense Accrued	7,991,862	8,041,208
Taxes Accrued	1,788,325	1,744,527
Customers' and Contractors' Deposits	359,085	356,262
Current Portion of Long-Term Debt	13,334,372	13,193,906
Other Current Liabilities	902,031	884,340
Current Accrued Compensated Absences	269,819	260,047
Total Current Liabilities	26,427,933	26,415,140
LONG-TERM LIABILITIES		
Muckleshoot Agreements	6,762,451	6,943,806
Customer Advances for Construction	5,600,679	4,818,331
Unearned Revenue	7,744,657	7,865,651
Other Long-Term Liabilities	4,604,811	4,089,225
Pension Liability	7,788,151	-
Long-Term Accrued Compensated Absences	2,428,375	2,340,426
Total Long-Term Liabilities	34,929,124	26,057,439
TOTAL LIABILITIES	531,696,324	537,573,269
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization	35,575,447	35,575,447
Deferred Inflows for Pensions	521,374	930,353
Total Deferred Inflows	36,096,821	36,505,800
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS .	\$1,127,457,462	\$1,123,598,966

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	OCTOBER 2017	OCTOBER 2016
OPERATING REVENUES		
Sales of Water	\$8,425,674	\$7,991,470
Other Operating Revenues	933,021	895,018
Contract Resource Obligation Revenue	420,569	360,529
Total Operating Revenues	<u>9,779,264</u>	<u>9,247,017</u>
OPERATING EXPENSES		
Production Expense:		
Source of Supply	637,136	539,110
Water Treatment	464,373	594,224
Total Production Expense	1,101,509	1,133,334
Power Pumping Expense	47,999	46,412
Transmission and Storage Expense	211,752	197,592
Distribution Expense	1,068,214	1,037,487
Customer Accounting and Consumer Service ...	426,079	408,608
Taxes	431,133	407,161
Depreciation	1,998,909	1,979,221
Administrative and General	927,886	807,033
Total Operating Expenses	<u>6,213,481</u>	<u>6,016,848</u>
OPERATING INCOME (LOSS)	3,565,783	3,230,169
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	226,694	179,216
Miscellaneous	(630)	(383,030)
Interest on Long-Term Debt	(1,344,312)	(1,380,478)
Interest on Long-Term Debt BABs Sub	(320,064)	(297,980)
Amortization Of Debt Premium	111,548	105,802
Interest Charged to Construction	47,466	41,966
Total Non-Operating Revenues (Expenses)	<u>(1,279,298)</u>	<u>(1,734,504)</u>
Net Income (Loss) Before Capital Contributions and Transfers	2,286,485	1,495,665
Capital Contributions:		
Cash	287,911	396,045
Donated Fixed Assets	-	319,063
Federal BABs Subsidies	320,064	297,980
Grants	-	1,752
Transfers:		
City Gross Earnings Tax	(732,127)	(733,566)
CHANGE IN NET POSITION	<u>\$2,162,333</u>	<u>\$1,776,939</u>
NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

YEAR TO DATE		2017 OVER (UNDER) 2016	PERCENT CHANGE
OCTOBER 31 2017	OCTOBER 31 2016		
\$ 67,661,608	\$ 66,747,094	\$914,514	1.4%
8,558,946	8,375,621	183,325	2.2%
3,842,029	4,043,301	(201,272)	-5.0%
80,062,583	79,166,016	896,567	1.1%
5,929,440	5,794,800	134,640	2.3%
5,356,488	5,275,185	81,303	1.5%
11,285,928	11,069,985	215,943	2.0%
457,742	559,315	(101,573)	-18.2%
2,043,791	2,368,026	(324,235)	-13.7%
11,464,356	10,642,081	822,275	7.7%
4,117,441	3,789,931	327,510	8.6%
3,994,966	3,898,305	96,661	2.5%
20,029,634	19,861,354	168,280	0.8%
8,902,977	8,036,036	866,941	10.8%
62,296,835	60,225,033	2,071,802	3.4%
17,765,748	18,940,983	(1,175,235)	-6.2%
2,694,542	2,136,743	557,799	26.1%
1,217,777	(236,649)	1,454,426	-614.6%
(13,608,336)	(14,422,697)	814,361	-5.6%
(3,090,217)	(2,981,398)	(108,819)	3.6%
1,115,480	1,058,021	57,459	5.4%
418,866	404,253	14,613	3.6%
(11,251,888)	(14,041,727)	2,789,839	-19.9%
6,513,860	4,899,256	1,614,604	33.0%
4,576,617	3,787,363	789,254	20.8%
1,869,582	1,089,298	780,284	71.6%
3,090,217	2,981,398	108,819	3.6%
-	1,752	(1,752)	-100.0%
(6,038,185)	(5,740,993)	(297,192)	5.2%
10,012,091	7,018,074	2,994,017	42.7%
549,652,226	542,501,823	7,150,403	
\$559,664,317	\$549,519,897	\$10,144,420	1.8%

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2017 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

SUMMARY OF REVENUES AND BILLINGS
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	OCTOBER 2017	OCTOBER 2016
SALES OF WATER		
Residential and Domestic	\$5,813,429	\$5,204,041
Commercial and Industrial	1,756,479	1,960,890
Special Rate	590,518	503,222
Sales to Other Utilities	265,248	323,317
Total	<u>\$8,425,674</u>	<u>\$7,991,470</u>

BILLINGS (NUMBER OF MONTHS BILLED)

Residential and Domestic	106,884	103,722
Commercial and Industrial	7,112	5,744
Sales to Other Utilities	17	17
Total	<u>114,013</u>	<u>109,483</u>

YEAR TO DATE		2017 OVER (UNDER) 2016	PERCENT CHANGE
OCTOBER 31 2017	OCTOBER 31 2016		
\$44,976,306	\$43,352,198	\$1,624,108	3.7%
14,913,076	15,080,990	(167,914)	-1.1%
5,220,943	4,867,231	353,712	7.3%
2,551,283	3,446,675	(895,392)	-26.0%
<u>\$67,661,608</u>	<u>\$66,747,094</u>	<u>\$914,514</u>	1.4%
957,431	943,362	14,069	1.5%
65,946	62,039	3,907	6.3%
<u>170</u>	<u>170</u>	<u>-</u>	0.0%
<u>1,023,547</u>	<u>1,005,571</u>	<u>17,976</u>	1.8%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

SUMMARY OF WATER BILLED
OCTOBER 31, 2017 AND OCTOBER 31, 2016

	MILLION GALLONS, TOTAL			
	OCTOBER 2017	OCTOBER 2016	YEAR TO DATE	
			OCTOBER 31 2017	OCTOBER 31 2016
WATER BILLED				
Residential and Domestic	988.01	907.62	7,207.71	7,269.06
Commercial and Industrial	320.91	329.04	2,725.29	2,924.32
Special Rate	507.27	471.39	4,702.92	4,513.02
Sales to Other Utilities	80.27	100.03	768.66	1,117.44
	<u>1,896.46</u>	<u>1,808.08</u>	<u>15,404.58</u>	<u>15,823.84</u>

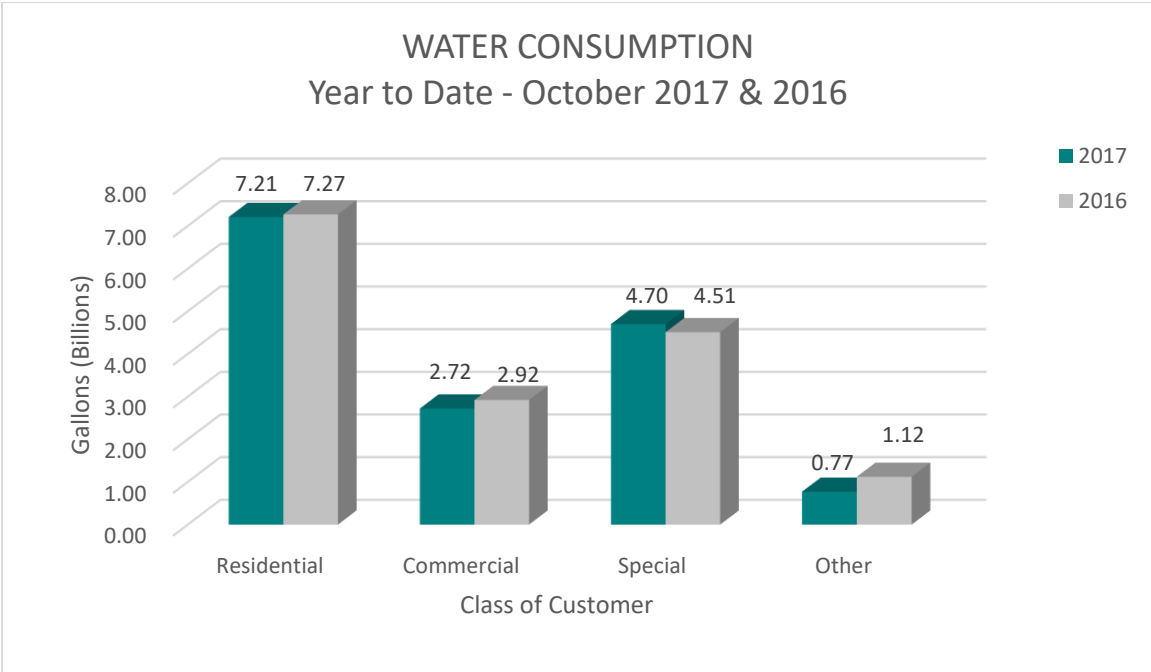
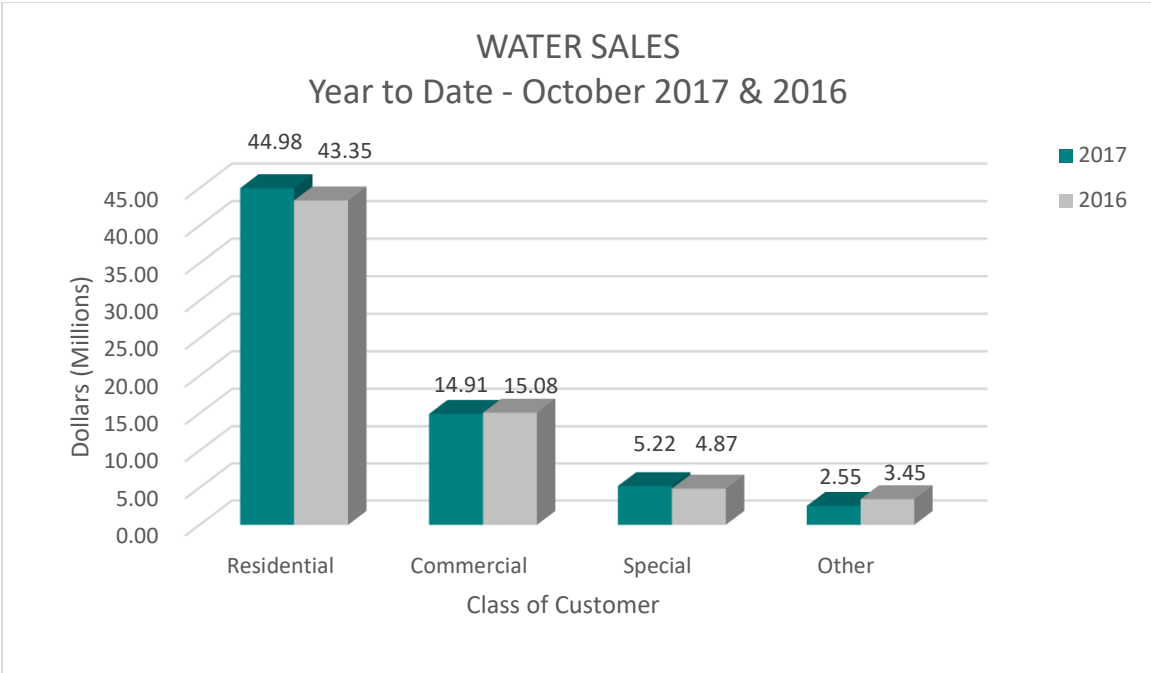
NOTE: For conversion purposes, there are approximately 748 gallons in every 100 cubic feet of water.

MILLION GALLONS, AVERAGE DAILY

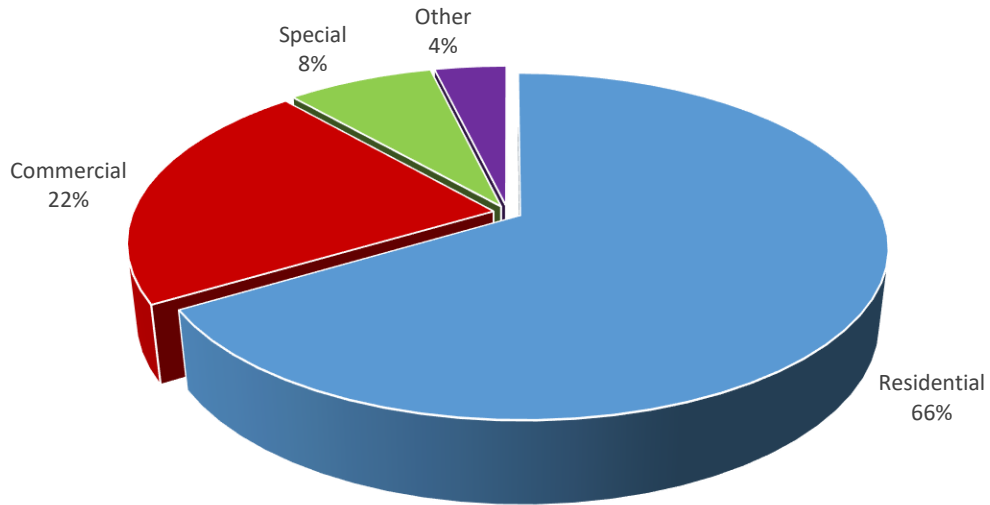
OCTOBER 2017	OCTOBER 2016
31.87	29.28
10.35	10.61
16.36	15.21
2.59	3.23
61.17	58.33

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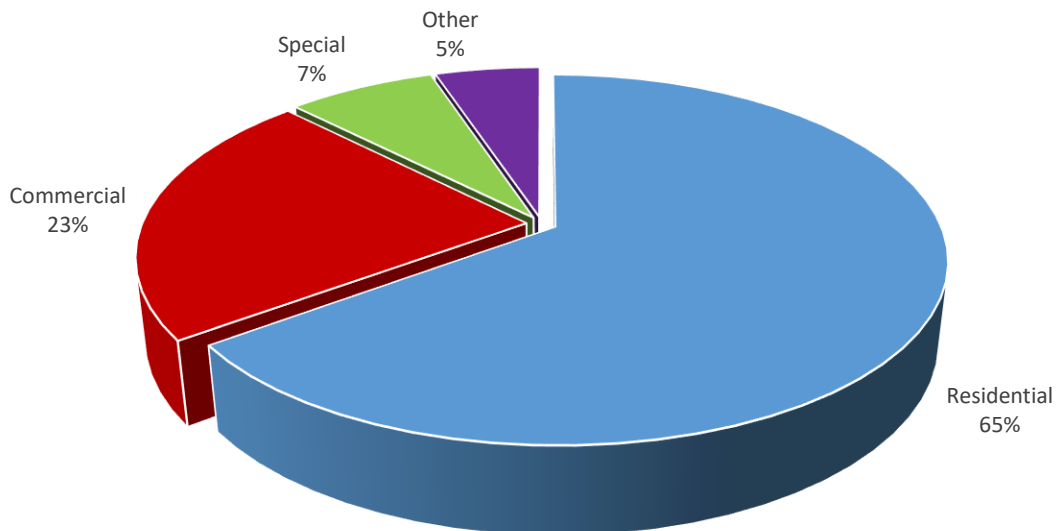
Supplemental Data



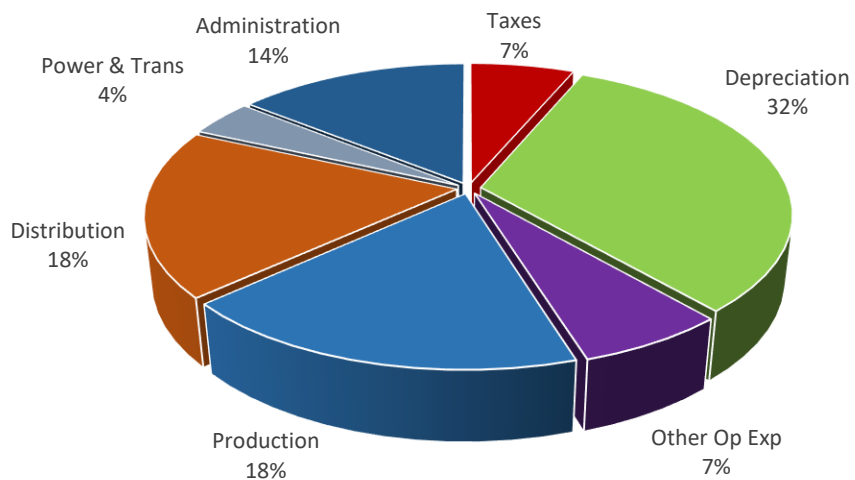
WATER SALES
Year to Date - October 2017
(\$67,661,608)



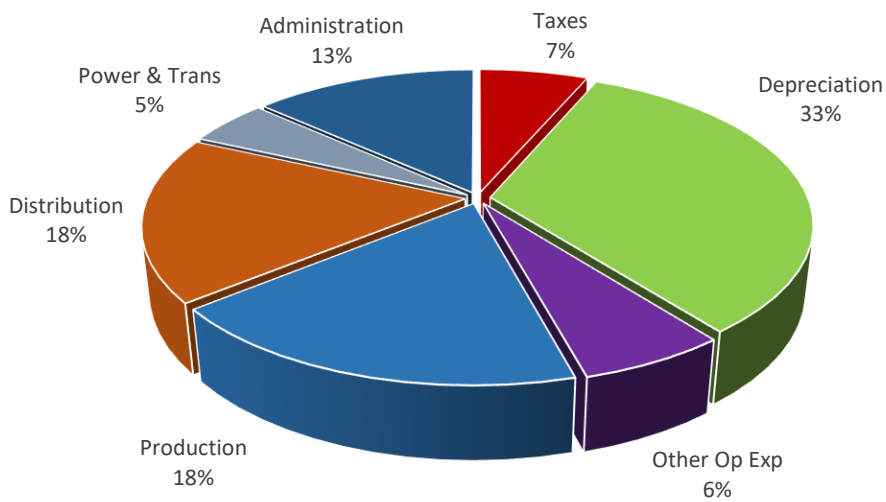
WATER SALES
Year to Date - October 2016
(\$66,747,094)



TOTAL OPERATING EXPENSES
Year to Date - October 2017
(\$62,296,835)



TOTAL OPERATING EXPENSES
Year to Date - October 2016
(\$60,225,033)





The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.