



APPROVED 5-9-18

MINUTES  
City of Tacoma  
Public Utility Board Study Session  
April 25, 2018  
3:00 p.m.

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

Present: Monique Trudnowski; Woodrow E. Jones, Jr., Mark Patterson, Karen Larkin, Bryan Flint

**Tacoma Water: Long Range Financial Plan and Financial Policies**

Jodi Collins, Assistant Water Division Manager, began by reviewing the 2019/2020 budget and rate timeline. The projected rate adjustment for the next biennium is projected to be approximately 2.5 percent. Ms. Collins then provided an update on Water's long range financial plan. This included coverage and liquidity, expense budget and revenue requirements, and debt management and capital funding strategy. Potential changes to the process and the Water rate and financial policy were then addressed. This included details on the cost of service analysis (COSA), rate design, debt service coverage policy, service development fund fees and funds, and market-based wholesale rates. Next steps in the budget and rate process include follow-up discussions with the Board on May 9, May 23, July 25, and September 12. The budget will be presented at a joint Council and Board study session on October 9 and Board consideration is scheduled for October 24, 2018.

**Executive Session**

Board Member Jones moved to convene an executive session at 4:15 p.m. to discuss pending litigation per RCW 42.30.110(1)(i) for 45 minutes; seconded by Mr. Patterson. Voice vote was taken and carried. At 5:00 p.m., the executive session was extended by 30 minutes to end at 5:30 p.m.. The executive session was adjourned at 5:30 p.m. Bill Fosbre, City Attorney, was present.

**Adjournment**

The study session was adjourned at 5:30 p.m. until the next regularly scheduled study session on Wednesday, May 9, 2018 at 3:00 p.m.

Approved:

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Monique Trudnowski, Chair

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Karen Larkin, Secretary