



RESOLUTION NO. U-10998

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

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

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



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WHEREAS the Director requests authorization, pursuant to

TMC 1.06.269 A, to amend contract amounts up to \$200,000 and to approve term extensions and renewals for all items contained in Exhibit "A;" Now, therefore,

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

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

Approved as to form and legality:

R. L. Howell
Chief Deputy City Attorney

Adopted _____

Clerk



City of Tacoma

U-10998 #1
March 28, 2018

Contract and Award Letter
Purchase Resolution – Exhibit “A”

TO: Board of Contracts and Awards
FROM: Andrew Cherullo, Director, Finance Department
Patsy Best, Procurement and Payables Division Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, SBE Coordinator, and Samol Hefley Finance/Purchasing
SUBJECT: Citywide Printing and Binding Services
Request for Proposals Specification No. CT17-0359F, Contract No. CW2223524
Utility Board March 28, 2018 and City Council April 3, 2018
DATE: March 12, 2018

RECOMMENDATION SUMMARY:

The Finance Department, Purchasing Division recommends a contract to be awarded to Print NW, Lakewood, WA, for as-needed, printing and binding services, in the amount of \$3,600,000, plus any applicable taxes, for an initial contract term of three years with the option for two additional one-year renewal terms for an estimated cumulative total of \$4,320,000, plus applicable sales tax.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

This citywide contract provides an as needed contract for printing and binding services for use by various City departments. Primary usage of this contract is for printing and binding services for departments such as Community & Media Services, Media & Communications Office and Tacoma Venues & Events. Other usage for this contract includes design services, printed materials, signage, and job archive management. By combining individual department needs the City is able to leverage its purchasing power under one contract resulting in a more efficient method of procurement.

ISSUE: The City of Tacoma, has the need for printing and binding and related services on an “as-needed basis.” Forgoing the printing and binding services contract would delay City business operations and communications with the citizens of Tacoma.

ALTERNATIVES: The alternative course of action would be to not award the contract and approach each project as an individual project. This would result in a significant cost and decreased level of service for departments and the community due to the time involved in soliciting each project individually and familiarizing print vendors with the City’s specific needs and policies.



COMPETITIVE SOLICITATION:

Request for Proposals Specification No. CT17-0359F was opened November 14, 2017. Five companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

Criteria for selection included pricing, vendor experience, general company information, staff & resources, sustainability efforts & practices, and Small Business Enterprise (SBE).

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score or Rank</u>
Print NW	Lakewood, WA	1
DCG One	Seattle, WA	2
Image 360	Tacoma, WA	3

CONTRACT HISTORY: New Contract

SUSTAINABILITY: To become a more sustainable organization, Print NW is committed to providing services in a sustainable manner and takes measures to minimize impacts to the environment in the delivery of services.

SBE/LEAP COMPLIANCE: Five points were available to SBE firms in the solicitation evaluation criteria.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departments	Various	5312010	
TOTAL			

* General Fund: Include Department

REVENUES: N/A

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departments	Various	56312010	
TOTAL			



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Various Department Budgets

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Various – Funds for the contract are provided by the individual departments using the contract. Funding beyond the current biennium is subject to future availability of funds. The user departments are billed directly for their purchases.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

N/A

APPROVED:

Linda McCrea, Interim Director of Utilities

CT17-0359F

Citywide Printing and Binding Service

Print NW

Criteria	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	Total Points
Pricing	35.00	35.00	35.00	35.00	35.00	175.00
Vendor Experience	29.00	38.00	40.00	29.00	31.00	167.00
General Information	15.00	15.00	14.00	13.00	13.00	70.00
Sustainability	3.00	5.00	5.00	5.00	5.00	23.00
SBE	0.00	0.00	0.00	0.00	0.00	0.00
Total	82.00	93.00	94.00	82.00	84.00	435.00

DCG One

Criteria	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	Total Points
Pricing	23.78	23.78	23.78	23.78	23.78	118.90
Vendor Experience	30.00	27.00	31.00	38.00	31.00	157.00
General Information	15.00	12.00	13.00	15.00	13.00	68.00
Sustainability	5.00	4.00	4.00	5.00	5.00	23.00
SBE	0.00	0.00	0.00	0.00	0.00	0.00
Total	73.78	66.78	71.78	81.78	72.78	366.90

Image 360

Criteria	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	Total Points
Pricing	16.58	16.28	16.58	16.58	16.58	82.90
Vendor Experience	30.00	9.00	17.00	16.00	20.00	92.00
General Information	10.00	5.00	10.00	8.00	8.00	41.00
Sustainability	2.00	1.00	4.00	2.00	3.00	12.00
SBE	5.00	5.00	5.00	5.00	5.00	25.00
Total	63.58	36.58	52.58	47.58	52.58	252.90

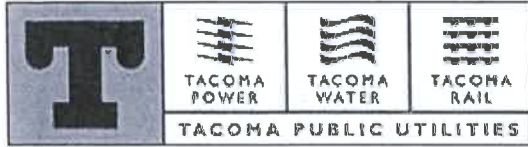


EXHIBIT "A"

RESOLUTION NO.: U-10998

ITEM NO.: #2

MEETING DATE: MARCH 28, 2018

TO: Board of Contracts and Awards

FROM: Joseph A. Wilson, Transmission & Distribution Manager
Don Ashmore, Fleet Manager, Transmission & Distribution/Fleet Services

COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, Don Gesch, Transmission & Distribution Assistant Manager and Doreen Klaaskate, Finance/Purchasing

SUBJECT: Purchase of Caterpillar Backhoe Loader with High Rail Package, National Joint Powers Alliance (NJPA) Contract 032515 - CAT – March 28, 2018

DATE: March 15, 2018

RECOMMENDATION SUMMARY:

Tacoma Public Utilities (TPU) Fleet Services recommends a contract be awarded to **Caterpillar Inc, Peoria, IL,** for the purchase of one (1) new Caterpillar 420F2 HRC Backhoe Loader with high rail package. The contract amount reflects a total award of \$252,169.00, plus applicable sales tax.

BACKGROUND:

This contract provides heavy-duty construction equipment together with related accessories, supplies and services. The new unit will be assigned to Tacoma Rail's Track Maintenance group and will be utilized for various railroad track and right-of way maintenance and construction projects throughout Rail's service area.

The new unit will replace an existing unit that complies with Fleet replacement criteria which addresses a combination of mileage, age, mechanical condition, and job suitability. The unit being replaced will be sold at public auction using City surplus procedures.

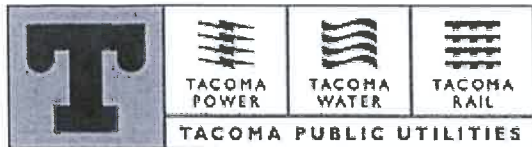
COMPETITIVE SOLICITATION:

This contract was awarded to Caterpillar Inc, as a result of Request for Proposals 032515 conducted by the National Joint Powers Alliance (NJPA) in March 2015. The contract term is May 19, 2015 through May 18, 2019 and can be used on an as-needed basis.

National Joint Powers Alliance (NJPA) is municipal contracting government agency that services thousands of government agencies nationally. NJPA offers a multitude of cooperatively contracted products, equipment and service opportunities, which are awarded through a competitive bidding process.

Through NJPA Membership Number 97380, Tacoma Public Utilities may purchase from various contracts that offer a significant discount.

The City is saving between 15-22% on this purchase by utilizing this contract.



COMPETITIVE ANALYSIS:

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

Funds for this are available in the 2017-2018 budget of the Department of Public Utilities for the Rail Division and the Fleet Services Fund.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5050 – TPU Fleet Services	71000308877	5641500	\$277,638.07
TOTAL			\$277,638.07

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$277,638.07

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

Chris Robinson, Power Superintendent/COO

Dale King
Rail Superintendent

APPROVED:

Linda McCrea, Interim Director of Utilities/CEO



3628 South 35th Street
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

EXHIBIT "A"

RESOLUTION NO.: U-10998

ITEM NO.: #3

MEETING DATE: March 28, 2018

DATE: January 31, 2018
TO: Board of Contracts and Awards
SUBJECT: Power Line Vegetation Clearance Crews
 Budgeted from Tacoma Power's Operations and Maintenance Budget
 Request for Bids Specification No. PT17-0429F

RECOMMENDATION: Tacoma Power recommends a contract be awarded to the second low bidder, **Wright Tree Service, Inc., Des Moines, Iowa**, for Power Line Vegetation Clearance Crews. The recommendation is for an initial two-year contract term in the amount of \$4,745,270.00, plus the option for a single one-year renewal period, for a cumulative total of \$7,319,066.00, sales tax not applicable per WAC 458-20-226 Rule 3f. The specification documents contain provisions for escalation of hourly labor rates that will affect the overall contract value.

EXPLANATION: The labor and equipment to be supplied under this contract will be utilized to augment the Transmission & Distribution vegetation management workforce. It is anticipated that these contract crew services will be utilized during seasonal workload demands, storm restoration, and in support of the trimming cycles for distribution and transmission circuits. This work is critical in assuring that Tacoma Power will remain in compliance with the North American Electric Reliability Council (NERC) vegetation management standard FAC-003-4. Tacoma Power has historically awarded a contract for these services on a biennium basis.

The field of power line vegetation clearance is a specialized area of the vegetation management trade. Services to be performed will consist of trimming of trees, shrubs, and other vegetation within right-of-way accesses and in close proximity to energized conductors. Contract crew services allow Tacoma Power to administer a vegetation management program focused on maintaining reliable electric service and improved public safety.

COMPETITIVE BIDDING: Bid Specification No. PT17-0429F was opened on January 23, 2018. Five companies were invited to bid in addition to normal advertising of the project. Three submittals were received. The evaluated bid total includes consideration of the submitted annual escalation, overtime rates and storm rates. The bid offered by Asplundh Tree Expert, LLC was conditioned with exceptions seeking to amend the language of the solicitation. These exceptions were found to be a material deviation which could not be waived; therefore the bid was deemed non-responsive. The table below reflects the amount of the initial contract term.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u> Sales tax not applicable	<u>Evaluated</u> <u>Submittal</u>
Asplundh Tree Expert, LLC*	Woodinville, WA	\$4,500,808.00	\$4,797,266.84
Wright Tree Service, Inc.	Des Moines, IA	\$4,745,270.00	\$5,000,643.92
Davey Tree Surgery Co.	Livermore, CA	\$5,178,508.00	\$5,587,176.31
	Pre-bid estimate	\$4,550,000.00	

*Non-responsive bid

The recommended award is 4.3 percent above the pre-bid estimate.


CONTRACT HISTORY: New contract.

FUNDING: Funds for this contract are available in Tacoma Power's operations and maintenance budget. Funding beyond the current biennium is subject to future availability of funds.

SBE/LEAP COMPLIANCE: This project was bid as a single-trade contract in accordance with Small Business Enterprise (SBE) regulations. No proposals were received from SBE contractors for this project. The Local Employment and Apprenticeship Training Program (LEAP) goal is 3525 hours.

PROJECT COORDINATOR: Roberta Cox, Transmission & Distribution, 253-396-3156;
Gordon Caudill, Transmission & Distribution, 253-502-8720.

APPROVED:



Chris Robinson
Power Superintendent/COO



Linda McCrea
Interim Director of Utilities

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

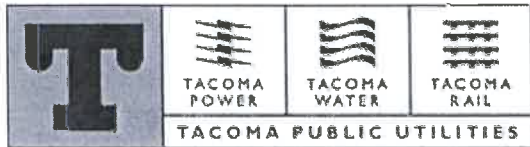


EXHIBIT "A"

RESOLUTION NO.: U-10998

ITEM NO.: #4

MEETING DATE: MARCH 28, 2018

TO: Board of Contracts and Awards
FROM: Steve Hatcher, Customer Services
John Hoffman, Assistant Manager, Customer Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
Coordinator, and Alex Clark, Finance/Purchasing
SUBJECT: Temporary Extension and Increase to allow time to conduct an RFP/RFB to
replace Identify Verification and Risk Evaluation Contract Request for Proposals
Specification No. CS11-0694F, Contract No. 4600008090 – March 14, 2018
DATE: March 20, 2018

RECOMMENDATION SUMMARY:

Customer Services requests approval to temporarily extend the term of Contract 4600008090, to Equifax Information Services LLC, Atlanta, GA by twelve months, and increasing the contract value \$48,000, plus any applicable taxes, for continued customer identify verification and risk evaluation while a request for proposals/bids is conducted. This increase will bring the contract to a cumulative total of \$247,999, plus any applicable taxes.

BACKGROUND:

ISSUE: Customer Services uses this contract to verify the true identity of our customers and assists in skip tracing to collect outstanding debts. This service is a vital component in the verification of new customer set up information, reducing fraud, and locating customers with past due charges in order to reduce write-offs and collection accounts. Equifax was selected through a RFP process in 2012 for these services. At that time Equifax was the only respondent for these services. The term was for three years with up to three years of extensions, which have been exhausted at this time.

ALTERNATIVES: Customer Service is requesting this amendment to allow for the time needed to conduct a Request for Proposals (RFP), and if necessary, complete technical modifications to the SAP system to support a new customer identification tool.

COMPETITIVE SOLICITATION:

CONTRACT HISTORY: This contract, which provided for a three-year initial term, plus the option for three one-year renewals, was originally awarded to Equifax Services LLC as a result of RFP Specification No. CS11-0694F in April 2012. Six vendors were invited to participate. Equifax was the only respondent. Amendment 1, implemented in April 2015, extended the term to March 31, 2018. The contract was administratively increased by \$56,000 to a cumulative total of \$176,000, in September 2015. The contract was administratively increased by \$23,999 to a cumulative total of \$199,999, in April 2017.

As the services Equifax provides are critical to operations, a short term extension of services is requested to ensure that new customers are not impacted and that SAP programming work can be completed.

An average monthly cost of \$3,100 was used to estimate the \$48,000 temporary increase for up to twelve months service through March 31, 2019.



SUSTAINABILITY: The need for customers to come into our office for identity verification is reduced or eliminated, and therefore their carbon impact from transportation, by providing the remote secure identify verification services from Equifax.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 Customer Services	579700		\$48,000.00
TOTAL			\$48,000.00

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$48,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES

Steve Hatcher
Steve Hatcher, Customer Services Manager

APPROVED:

Linda McCrea
Linda McCrea, Interim Director of Utilities/CEO



**AMENDMENT No. 2 TO
Telco Utilities Master Agreement
PRICING AND SERVICES**

This Amendment No. 2 to Pricing and Services ("**Amendment**") is issued pursuant to and governed by the existing Master Agreement for Service, between Client and Equifax with an original Effective Date of April 2, 2012 (the "**Agreement**"), and as previously amended April 1, 2015. All capitalized terms used but not defined in this Amendment shall have the meanings given them in the Agreement. Client, identified below, will pay Equifax the rates, surcharges, expenses, taxes, and fees (collectively, the "**Prices**") for the provision of the Information Services identified below, and if not specifically stated, the Prices will be Equifax's then-applicable standard Prices.

1. Term. The Prices herein will be effective on 31st day of March, 2018 (the "**Amendment Effective Date**") and, unless otherwise stated herein, shall continue for **one (1) year** or until completion of the Transition Period, as further described in Section 1.1 below, whichever shall first occur (the "Extended Term"). Thereafter, the Prices will continue on a month-to-month basis until such time as new pricing is agreed to by the parties.

1.1. Transition Period. The Parties mutually acknowledge and understand that during the Extended Term Client will conduct a competitive solicitation for the provision of information services following expiration of said Extended Term. Said competitive solicitation will be conducted utilizing Client's standard Request for Proposals process and may result in selection of, and a replacement contract with, an information services provider other than Equifax. In the event an alternative information services provider is selected by Client, it is mutually understood and agreed that Client will require continued use of all current information services provided by Equifax under the Agreement for a limited period of time until equivalent and/or replacement information services are available and are provided to Client by said successor provider. Said period is referred to herein as the "Transition Period."

Equifax agrees that during the Transition Period it shall continue to make available to Client all information services currently provided under the Agreement according to the terms, conditions, and pricing specified therein, as modified and amended by this Amendment No. 2. Equifax agrees that during the Transition Period, and notwithstanding anything stated to the contrary in Article IV of the Agreement, it shall not terminate the Agreement, revoke any information service license(s) thereunder, or otherwise cease providing any information services required by Client and currently made available and/or provided to Client under the Agreement; Provided, that Equifax may exercise its right to terminate the Agreement during the Transition Period and according to the terms and conditions in Section 2. (c) of Article IV. in the event of a material breach by Client. For purposes of this Amendment No. 2, it is expressly understood and agreed that Client's selection of, and subsequent contract with, a successor information services provider as the result of a competitive Request for Proposals process shall not constitute a material breach.

Equifax further agrees that during the Transition Period Client may require reasonable assistance from Equifax. Equifax agrees to provide such assistance in good faith and to make commercially reasonable efforts to support Client's competitive solicitation, and if necessary, cooperatively plan and implement the transition of service providers in a manner that minimizes disruption to Client's ordinary day to day business operations.

1.2. New Services. It is mutually agreed that any new services and/or deliverables required to be performed and/or provided by Equifax shall be specified in a Purchase Order submitted by Client pursuant to Section 2 below.

2. Client Purchase Orders. Purchase Orders ("POs") are Required Not Required by Client.

If required, Client agrees the following PO information applies to this Amendment:

PO Number: _____
 PO Effective dates from _____ to _____
 Maximum Dollar limit (if applicable): \$_____.

Client shall provide current PO information throughout the term of this Amendment, and will issue any new PO information no less than ninety (90) days prior to the expiration of the existing PO. If POs are not required, or Client does not provide a current PO to Equifax, POs will not be required on invoices as a condition of payment.

Upon Client's request of new services in accordance with Section 1. above, Equifax agrees to exercise good faith and commercially reasonable efforts to respond to client within five (5) business days of submittal, The Parties shall thereafter make timely and best efforts to finalize a mutually acceptable Purchase Order. If Equifax requires clarification, they shall provide written notice to Client of any questions and make commercially reasonable efforts to return said questions within five (5) business days. t

3. Rates. Client will pay Equifax the following rates for the services described below, or as listed in an attached exhibit and/or subsequent Purchase Order. The rates set forth in this Amendment are exclusive of all surcharges, expenses, taxes, and fees.

Service Name <i>(list service names or "see attached exhibit")</i>	Rate <i>(list standard table rate, custom rate, or "see attached exhibit")</i>
PosID (hits and partials)	
Min Max	
2,001 5,000	\$2.00

5,001	10,000	\$1.50
10,001	25,000	\$1.20
25,001	50,000	\$0.85
50,001		\$0.75
Pos ID w/ Advanced Energy - Hit		
Min	Max	
2,001	5,000	\$2.15
5,001	10,000	\$1.65
10,001	25,000	\$1.35
25,001	50,000	\$1.00
50,001		\$0.09
DTEC - Includes Id Scan hits and Partials		
Min	Max	
2,001	5,000	\$2.00
5,001	10,000	\$1.50
10,001	25,000	\$0.95
25,001	50,000	\$0.85
50,001		\$0.75
Additional services provided with DTEC are ssn Addirm and Phone number returned for .22 each		
DL Advantage - Hits		
2,001	5,000	\$1.00
5,001	10,000	\$1.00
10,001	25,000	\$1.00
50,001		\$1.00
Fact Act Recovery Fee		.13
Incremental Fee for the Combo Report (aka Dual Output File)		NA
Security Monitoring Fee		10%

4. Invoices. Client shall pay Equifax for all Information Services no later than twenty (20) days from the date of Equifax's invoice. Interest will accrue daily on all amounts not timely paid at the rate of 1.5% per month.
5. Taxes. Except to the extent that Client has provided an exemption certificate, direct pay permit or other appropriate documentation, Equifax will add to each invoice any sales, use, excise, value-added, gross receipts, services, consumption and other similar transaction taxes that are levied by a taxing authority upon the provision of the Information Services. It is Client's sole responsibility to pay those taxes and Equifax may separately invoice them.
6. Price Modifications. After the Extended Term, the rate for each Information Service may be modified by Equifax at any time, provided that such modification for any individual Information Service will not be made more than once in any calendar year. Surcharges, expenses, taxes or fees may be modified at any time. Equifax will disclose the modified rates, surcharge, expenses, taxes or fees (the "**Modified Prices**") at least one billing cycle in advance through a notice on Client's invoice, or otherwise, and upon disclosure, if Client objects to the Modified Prices, Client may terminate this Amendment without paying an early termination fee, provided Client delivers notice of termination to Equifax no later than thirty (30) days after the first invoice reflecting the Modified Prices, and Equifax shall cease providing the applicable Information Service.
7. Prior Pricing. Upon the Amendment Effective Date, the Prices set forth herein supersede all prior prices, surcharges, expenses, taxes, and other fees agreed to by the Parties for the Information Services described in this Amendment.
8. Fees and Surcharges. When applicable, Client will pay Equifax all fees and surcharges related to the Information Services.
 - a. FACT Act Regulatory Recovery Fee. The FACT Act regulatory recovery fee applies to the following online consumer report products, for each report ordered by Client: ACROFILE, ACROFILE PLUS, ACROSELECT, Decision Power, Decision Power Express and ID Report with score. For Clients required to comply with the Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.13 per credit report ordered. For Clients who are not required to comply with Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.11 per credit report ordered.
 - b. Colorado Surcharge. A surcharge of \$0.74 will apply to each request for Information Services ordered regarding a resident of the State of Colorado in order to satisfy the requirements of the Colorado Fair Credit Reporting Act.
 - c. Security Monitoring Fee. A surcharge at the percentage listed in the Rate section will apply to each request for online consumer report products and Standard Information Services, to cover security monitoring services.

9. Additional Terms and Conditions Applicable to Fair Isaac Scores. In addition to the terms set forth in the Agreement, the following additional terms govern Client's use of credit risk Scores or insurance risk Scores of Fair Isaac Corporation ("**FICO Scores**") and replace any terms previously agreed to with regard to such FICO Scores.

a. From time to time, Client may request that Equifax provide FICO Scores, for, in each case, one of the following internal decisioning purposes requested: (a) in connection with the review of a consumer report it is obtaining from Equifax; (b) for the review of the portion of its own open accounts and/or closed accounts with balances owing that it designates; (c) as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, an existing credit obligation; (d) for use as a selection criteria to deliver a list of names to Client, or Client's designated third party processor agent; (e) for transactions not initiated by the consumer for the extension of a firm offer of credit or insurance; or (f) with respect to the insurance risk scores only for use in connection with the underwriting of insurance involving the consumer. Client shall use each such FICO Score only once and, with respect to FICO Scores, only in accordance with the permissible purpose under the FCRA for which Client obtained the FICO Score.

b. Client acknowledges that the FICO Scores are proprietary and that Fair Isaac retains all its intellectual property rights in the FICO Scores and the Models (defined below) used by Equifax to generate the FICO Scores. Fair Isaac grants to Client, effective during the term of the Client agreement, a personal, non-exclusive, non-transferable, limited license to use, internally, the FICO Scores solely for the particular purpose set forth in Section 8(a) above for which the FICO Scores were obtained, including, but not limited to the single use restrictions set forth above. Client's use of the FICO Scores must comply at all times with applicable federal, state and local law and regulations, and Client hereby certifies that it will use each FICO Score only for a permissible purpose under the FCRA. Client shall not attempt to discover or reverse engineer the FICO Scores, Models or other proprietary information of Fair Isaac, or use the FICO Scores in any manner not permitted, including, without limitation, for resale to third parties, model development, model validation (except as expressly set forth above with respect to Archive Scores), model benchmarking, or model calibration. "Model" means Fair Isaac's proprietary scoring algorithm(s) embodied in its proprietary scoring software delivered to and operated by Equifax.

c. Client shall not disclose the FICO Scores nor the results of any validations or other reports derived from the FICO Scores to any third party (other than to a consumer as expressly permitted in the Agreement and this Section 8.c. unless: (a) such disclosure is clearly required by law; (b) Fair Isaac and Equifax provide written consent in advance of such disclosure; and/or (c) such disclosure is to Client's designated third party processor agent; provided however that in either (i.e., (b) or (c) above) event, Client may make such disclosure (or in the event of (c), direct Equifax to deliver such lists, only after Client has entered into an agreement with the third party that (i) limits use of the FICO Scores to only the use permitted to Client hereunder, (ii) obligates the third party provider to otherwise comply with these terms, and (iii) names Fair Isaac as an intended third party beneficiary of such agreement with respect to the Models, FICO Scores, and other Fair Isaac intellectual property and with fully enforceable rights. Client shall not disclose a FICO Score to the consumer to which it pertains unless such disclosure is (i) approved in writing by Fair Isaac or (ii) required by law or is in connection with an adverse action (as defined by the FCRA) and then only when accompanied by the corresponding reason codes.

d. Fair Isaac represents and warrants that the scoring algorithm (s) used in the Models to produce FICO Scores are empirically derived and demonstrably and statistically sound; provided, that, this warranty is conditioned on (i) an Client's use of each FICO Score for the purposes for which the respective Model was designed, as applied to the United States population used to develop the scoring algorithm, (ii) the Client's compliance with all applicable laws and regulations pertaining to the use of the FICO Scores, including the Client's duty (if any) to validate or revalidate the use of credit scoring systems under the ECOA and Regulation B, and (iii) the Client's use of the FICO Scores otherwise remaining in compliance with the terms of the Agreement with respect to FICO Scores. FAIR ISAAC AND EQUIFAX HEREBY DISCLAIM ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OTHER WARRANTIES THAT MIGHT BE IMPLIED FROM A COURSE OF PERFORMANCE OR DEALING OR TRADE USAGE.

e. IN NO EVENT SHALL EQUIFAX OR FAIR ISAAC BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES INCURRED BY ANY PARTY AND ARISING OUT OF THE PERFORMANCE HEREUNDER, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF SUCH DAMAGES WERE REASONABLY FORESEEABLE. IN NO EVENT SHALL EQUIFAX'S AND FAIR ISAAC'S COMBINED AGGREGATE TOTAL LIABILITY HEREUNDER EXCEED THE AMOUNTS PAID HEREUNDER DURING THE PRECEDING TWELVE (12) MONTHS FOR THE FICO SCORES THAT ARE THE SUBJECT OF THE CLAIM(S) OR TEN THOUSAND DOLLARS (\$10,000.00), WHICHEVER AMOUNT IS LESS.

f. Equifax and Client acknowledge and agree that Fair Isaac is a third party beneficiary hereunder with respect to the Models, FICO Scores, and other Fair Isaac intellectual property and with fully enforceable rights. Client further acknowledges and agrees that Fair Isaac's rights with respect to the Models, FICO Scores, other Fair Isaac intellectual property, and all works derived therefrom are unconditional rights that shall survive the termination for any reason.

10. Effect of Amendment. In addition to the terms of the Agreement, Client agrees to abide by the additional terms set forth in this Amendment and any attached exhibits or schedules referencing this Amendment. All capitalized terms used herein but not defined in this Amendment shall have the meanings given them in the Agreement. Upon termination of this Amendment for any reason, Client shall pay Equifax the Prices for all Services rendered prior to the termination date. If Client desires to reinstate its account, Client may be charged a reactivation fee. Accounts terminated for non-payment will be reactivated only on receipt of the full amount past due and Client's written request to reinstate the account. When a terminated account is reinstated, the Amendment Effective Date shall be the date of reinstatement.

11. Client Acknowledgement. Required for Clients ordering Information Services under a Service Agreement with Equifax Information Services LLC, as successor in interest to CSC Credit Services Inc.

_____ Client acknowledges that it has received the Service Terms and Conditions for Equifax Information Services LLC (as successor to CSC Credit Services Inc.) and that those terms are added to the Agreement.
 [Initial]

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date written below.

	Client: City of Tacoma	Equifax Information Services LLC
Signed By:	_____	_____
Name:	Linda McCrea	
Title:	Director of Utilities	
Date:		
Address:	3628 S. 35th St Tacoma, WA. 98409	1550 Peachtree Street, N.W. Atlanta, GA 30309

Approved as to form:

 Deputy City Attorney

Approved:

 Finance Director



RESOLUTION NO. U-10999

1 A RESOLUTION relating to the reauthorization of the Local Employment and
2 Apprenticeship Training Program (LEAP) and amending Chapter 1.90
of the Tacoma Municipal Code.

3 WHEREAS the Local Employment and Apprenticeship Training
4 Program has been a City of Tacoma program since 1997, and

5 WHEREAS the program requires prime contractors to ensure that a
6 certain amount of labor hours on City-funded "public works" are performed by
7 local residents, and

8 WHEREAS the program has had few changes since 1997, and is in
9 need of code updates to make the program more relevant to the City's goals,
10 ensure consistency with Federal law, and deal with challenges the region is
11 currently facing, and

12 WHEREAS some of the issues with the current code are: Privileges
13 and Immunities Clause of the U.S. Constitution; lower program utilization
14 through Adjustments section of the Code; lack of apprentice goal in program
15 despite its name and intent; lack of consideration for TPU contracts; and
16 outdated usage of Community Empowerment Zones; as is otherwise
17 explained in back-up materials before the Board, and

18 WHEREAS an updated Code and policy changes are being requested
19 to resolve each of these issues, and

20 WHEREAS some of the proposed changes are: placing an out-of-state
21 employee exemption in the LEAP Code in compliance with federal law;
22 remove section 1.90.040 B of the Tacoma Municipal Code (TMC) to ensure
23 uniform compliance with objectives; create an Apprentice Utilization Goal of a
24 regional standard of 15 percent on contracts over one million dollars; tie
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geographic boundaries of the program to the TPU service area; and replace
Community Empowerment Zone language from LEAP Code with input
“Economic Distressed Area” that mirrors the current national standard, and

WHEREAS section 1.90 of the TMC requires the Director of Utilities to
make findings, conclusions and recommendations as to the continued need
for LEAP and to propose any revisions thereto that should be considered by
the Council and Board, and

WHEREAS the Director requests the Board reauthorize LEAP and
adopt the proposed recommendations to policies and documents, and
recommend approval of the required changes to the Tacoma Municipal Code;

Now, Therefore,

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

That the request to reauthorize the Local Employment and
Apprenticeship Training Program and proposed changes, as set forth in the
attached Exhibit “A”, are approved, and the Council of the City of Tacoma is
requested to concur in the approval and make such appropriate changes as
are needed to Chapter 1.90 of the Tacoma Municipal Code to implement such
recommendations.

Approved as to form and legality:

Chair



Chief Deputy City Attorney

Secretary

Clerk

Adopted _____

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

Request for Board Meeting
of March 28, 2018

REQUEST FOR RESOLUTION

Date March 16, 2018

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)
Proposed Changes to the Local Employment and Apprenticeship Training Program (LEAP)

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)
Amend the TMB 1.90 LEAP code.

3. Summarized reason for resolution:
The five main issues with the current code are:

- Privileges and Immunities Clause of the US Constitution
- Lower program utilization through Adjustments section of code
- No apprentice goal in program despite name and intent
- Lack of consideration for Tacoma Public Utilities contracts
- Outdated usage of Community Empowerment Zones

The affected policies and documents will be updated to resolve each of these issues.

4. Attachments:
a) LEAP Code (Current Version)
b) LEAP Code (Strikethroughs and Additions in Red)

5. Funds available

6. Deviations requiring special waivers: None

Originated by:

Clifford Armstrong

Section Head

Requested by:

Keith Armstrong

Division Head

Approved:

Linda McCrea

Director of Utilities



DATE: March 16, 2018

TO: Linda McCrea, Interim Director of Utilities

FROM: Kim Bedier, Acting Community & Economic Development Director

SUBJECT: Proposed Changes to LEAP

The Local Employment and Apprenticeship Training Program (LEAP) staff is seeking Public Utility Board approval to amend its code. These amendments will address issues that have arisen through the current code. These changes are the result of consultation with many stakeholders, both internal and external, over the course of one year.

BACKGROUND:

The Local Employment and Apprenticeship Training Program has been a City of Tacoma program since 1997. The program requires prime contractors to ensure that a certain amount of labor hours on City-funded “public works” are performed by local residents. The program has had few changes since 1997, and is in need of code updates to make the program more relevant to the City’s goals of today and to deal with the challenges the region is currently facing.

ISSUE:

Problems:

1. Compliance with Privileges and Immunities Clause of US Constitution
 - a. The LEAP code does not have an out-of-state employee exemption, which is necessary for compliance with the Privileges and Immunities Clause of the U.S. Constitution.
2. Built-in adjustments that prevent efficient utilization of key constituencies
 - a. LEAP currently allow adjustments in a way that lowers overall program utilization.
3. No apprentice requirements
 - a. The City’s LEAP is a regional outlier in this respect given the City’s size and influence and is an oddity given the name and intent of the program.
4. Lack of consideration for Tacoma Public Utilities contracts.
 - a. Current policy places undue burden on contractors and City/TPU staff for certain TPU contracts.
 - b. TPU ratepayers, half of the program’s constituency, do not have equitable opportunity to utilize the program.
5. Outdated usage of Community Empowerment Zones
 - a. The HUD Community Renewal Initiative (CEZ) ended in 2010. As such, the utilization of CEZ’s nationally has subsided in favor of other geographic distinctions for economically challenged areas.

Solutions:

1. Place an out-of-state employee exemption into the LEAP code.
 - a. Places the code in compliance with the federal statute.

2. Removal of 1.90.040 B (Adjustments)
 - a. Removes code adjustments to ensure uniform compliance with objectives.
3. Create an Apprentice Utilization Goal on contracts over \$1 million to a regionally standard 15%.
 - a. Creates a concrete apprentice goal.
4. Tie geographic boundaries of the program to the Tacoma Public Utilities Service Area.
 - a. Removes exceptions built into the code that acknowledge the original program language did not sufficiently take TPU into consideration.
5. Remove Community Empowerment Zone language from LEAP code. Input "Economic Distressed Area" of TPU Service Area in its place.
 - a. Retains equity-based goals in a way that mirrors the current national standard and applies to the geographic boundaries of the program.

RECOMMENDATION:

Staff recommends that all of the proposed changes are approved by the Public Utility Board.

Please indicate your concurrence by signing below.



Linda McCrea
Interim Director of Utilities

EXHIBIT A

Chapter 1.90

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM

Sections:

- 1.90.010 Purpose.
- 1.90.020 Scope.
- 1.90.030 Definitions.
- 1.90.040 LEAP goals.
- 1.90.050 *Repealed.*
- 1.90.060 Effect of program on prime contractor/subcontractor relationship.
- 1.90.070 Apprentice utilization requirements – Bidding and contractual documents.
- 1.90.080 Enforcement.
- 1.90.090 Compliance with applicable law.
- 1.90.100 Review and reporting.
- 1.90.105 Authority.
- 1.90.110 Interpretation.

1.90.010 Purpose.

The purpose of this Chapter is to establish a means of providing for the development of a trained and capable workforce possessing the skills necessary to fully participate in the construction trades.

(Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.020 Scope.

The provisions of this Chapter shall apply to all Public Works or Improvements funded in whole or in part with City funds or funds which the City expends or administers in accordance with the terms of a grant.

(Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.030 Definitions.

As used in this chapter, the following terms shall have the following meanings:

A. "Apprentice" shall mean a person enrolled in a course of training specific to a particular construction trade or craft, which training shall be approved by the Washington State Apprenticeship and Training Council established pursuant to RCW 49.04.010.

B. "Building Projects" shall mean all Public Works or Improvements having an Estimated Cost greater than \$750,000.00, and for which a building permit must be issued pursuant to Chapter 1 of the current edition of the state building code (Uniform Building Code).

C. "City" shall mean all divisions and departments of the City of Tacoma, and all affiliated agencies, provided, however, that the Tacoma Community Redevelopment Authority shall not be included within this definition.

D. "Civil Projects" shall mean all Public Works or Improvements that are not defined as a "Building Project," provided that those projects having an Estimated Cost of less than \$250,000.00 shall not be included in this definition.

E. ~~"Community Empowerment Zone ("CEZ") shall mean that portion of those census tracts which are situated within the City of Tacoma and designated by the State of Washington as entitled to receive tax incentives because of high levels of poverty and unemployment.~~

F. "Contractor or Service Provider" means a person, corporation, partnership, or joint venture entering into a contract with the City to construct a Public Work or Improvement.

~~GF.~~ "Director" shall mean the Director of Community and Economic Development, or the Director's Designee.

~~G.~~ "Economically Distressed ZIP Codes" shall mean ZIP codes in the Tacoma Public Utilities Service Area that meet two out of three (2/3) of the thresholds of:

1. High concentrations of residents living under 200% of the federal poverty line in terms of persons per acre (69th percentile)
2. High concentrations of unemployed people in terms of persons per acre (45th percentile)
3. High concentrations of people 25 years or older without a college degree in terms of persons per acre (75th percentile)

Said thresholds shall be updated within 30 days following any Prevailing Wage updates issued by the Washington State Labor and Industry. All updates are to be published on the first business day in August and in February of each calendar year.

H. “Electrical Utility” and “Water Utility” shall mean, respectively, the Light Division of the Department of Public Utilities of the City of Tacoma, and shall include the electrical and telecommunications services of that Division, and the Water Division of the Department of Public Utilities of the City of Tacoma.

I. “Estimated Cost” shall mean the anticipated cost of a Public Work or Improvement, as determined by the City, based upon the expected costs of materials, supplies, equipment, and labor, but excluding taxes and contingency funds.

J. “Estimated Labor Hours” shall mean the anticipated number of Labor Hours determined by the City to be necessary to construct a Public Work or Improvement and set forth in the specifications for the project, or as may be subsequently revised due to contract or project adjustment, or pursuant to an agreed upon change order.

K. “Existing Employee” shall mean an employee whom the Contractor or Service Provider can demonstrate was actively employed by the Contractor or Service Provider for at least 1000 hours in the calendar year prior to bid opening plus one month following bid opening, and who was performing work in the construction trades.

L. “Labor Hours” shall mean the actual number of hours worked by workers receiving an hourly wage who are employed on the site of a Public Work or Improvement, and who are subject to state or federal prevailing wage requirements. The term “Labor Hours” shall include hours performed by workers employed by the Contractor or Service Provider and all Subcontractors, and shall include additional hours worked as a result of a contract or project adjustment or pursuant to an agreed upon change order. The term “Labor Hours” shall not include hours worked by workers who are not subject to the prevailing wage requirements set forth in either RCW 39.12 or the Davis-Bacon Act - 40 U.S.C. 276 (a).

M. “LEAP Coordinator” shall mean the City of Tacoma staff member who administers LEAP.

~~MN.~~ “LEAP Program” or “Program” shall mean the City of Tacoma’s Local Employment and Apprenticeship Training Program, as described in this chapter.

~~N. “Pierce County Apprentice” shall mean any person, not defined as a Resident of the Community Empowerment Zone or Resident of Tacoma, who continues to occupy a dwelling within the boundaries of Pierce County, has a present intent to continue residency within the boundaries of Pierce County, who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature, and who is enrolled in a course of training specific to a particular construction trade or craft, which training shall be approved by the Washington State Apprenticeship and Training Council established pursuant to RCW 49.04.010.~~

~~O. “Pierce County Veteran” shall mean any person, not defined as a Resident of the Community Empowerment Zone, Tacoma Youth, or Pierce County Youth, who served for any length of time in any military service branch and who continues to occupy a dwelling within the boundaries of Pierce County, has a present intent to continue residency within the boundaries of Pierce County, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.~~

“LEAP Regulations” or “Regulations” shall mean the rules and practices established in this document.

~~P. “Pierce County Youth” shall mean any person, not defined as a Resident of the Community Empowerment Zone or Tacoma Youth, between the ages of 18-24 who continues to occupy a dwelling within the boundaries of Pierce County, has a present intent to continue residency within the boundaries of Pierce County, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.~~

“LEAP Utilization Plan” shall mean the document submitted by the Contractor to the LEAP Coordinator which outlines how the associated goals will be met on the project.

Q. “Priority Hire Resident” shall mean any resident within the Economically Distressed ZIP Codes.

R. “Project Engineer” shall mean the City employee who directly supervises the engineering or administration of a particular construction project subject to this chapter.

S. “Public Work or Improvement” shall have the same meaning as provided in Section 39.04.010 RCW, as that Section may now exist or hereafter be amended.

~~S. “Resident of the Community Empowerment Zone” (“CEZ Resident”) shall mean any person who continues to occupy a dwelling within the boundaries of the Community Empowerment Zone, has a present intent to continue residency within the boundaries of the Community Empowerment Zone, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature; provided, however, that an individual initially certified as a CEZ Resident shall retain such certification status for a period of up to 2 years or 1,000 Labor Hours worked from the date of initial certification, whichever is less, and such certification shall be recognized for any Civil Project, Building Project, or Service Contract covered by this chapter for said certification period. For example, if an individual initially certified as a CEZ Resident on January 1 of calendar year 1 on project A works 900 hours in that calendar year on project A, and is thereafter hired to work 700 hours in year 2 on project B, the individual will retain his or her CEZ status for all hours worked on project B; provided, if the individual commences work on project C after he or she has worked 100 or more hours on project B in year 2, and is no longer a CEZ Resident, the Contractor for project C will not be eligible to count the hours worked by said individual as hours worked by a CEZ resident.~~

T. “Resident of Tacoma” shall mean any person, not defined as a Resident of the Community Empowerment Zone, who continues to occupy a dwelling within the boundaries of the City of Tacoma, has a present intent to continue residency within the boundaries of the City, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.

~~U. “Resident of Tacoma Power Hydro Project Areas” shall mean any person who continues to occupy a dwelling within the boundaries of the Cowlitz, Cushman, Wynoochee, and Nisqually Hydroelectric projects which are located in Lewis, Mason, Grays Harbor, Pierce, and Thurston counties; has a present intent to continue residency within the boundaries of the Tacoma Power Hydro Project Areas; and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.~~

~~V. “Seattle’s (City of) Duwamish and White Center Community Empowerment Zone” (“CEZ”) shall mean that portion of those census tracts which are situated within the City of Seattle and designated by the state of Washington as entitled to receive tax incentives because of the high levels of poverty and unemployment. See Figure 1.~~

W. “Service Area - Electrical” or “Electrical Service Area” shall mean that area served with retail sales by the Electrical Utility of the City of Tacoma at the time a bid is published by the Electrical Utility for a Public Work or Improvement to be performed primarily for the Electrical Utility.

~~XV. “Service Area - Water” or “Water Service Area” shall mean that area served with retail sales by the wWater uUtility of the City of Tacoma at the time a bid is published by the water utility for a Public Work or Improvement to be performed primarily for the wWater uUtility.~~

~~YW. “Service Contract” shall mean all City contracts relating to a Public Work or Improvement which utilize labor at a City site and which are not within the exceptions to nor defined as “Building Projects” or “Civil Projects.”~~

~~ZX. “Subcontractor” means a person, corporation, partnership, or joint venture that has contracted with the Contractor or Service Provider to perform all or part of the work to construct a Public Work or Improvement by a Contractor.~~

Y. “Tacoma Public Utilities Service Area” shall mean every zip code listed by Tacoma Public Utilities as an area that either receives services or maintains infrastructure to provide services.

~~AA. “Tacoma Apprentice” shall mean any person who continues to occupy a dwelling within the boundaries of the City of Tacoma, has a present intent to continue residency within the boundaries of the City of Tacoma, who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature, and who is enrolled in a course of training specific to a particular construction trade or craft, which training shall be approved by the Washington State Apprenticeship and Training Council established pursuant to RCW 49.04.010.~~

BB. ~~“Tacoma Power Hydro Project Areas” shall mean those areas within the boundaries of the Cowlitz, Cushman, Wynoochee, and Nisqually Hydroelectric projects, which are located in Lewis, Mason, Grays Harbor, Pierce, and Thurston counties.~~

CC. ~~“Tacoma Veteran” shall mean any person, not defined as a Resident of the Community Empowerment Zone or Tacoma Youth, who served for any length of time in any military service branch and who continues to occupy a dwelling within the boundaries of the City of Tacoma, has a present intent to continue residency within the boundaries of the City, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.~~

DD. ~~“Tacoma Water’s Green River Headworks and Watershed Area” shall mean that area in King County that is served with retail sales by the water utility of the City of Tacoma at the time a bid is published by the water utility for a public work or improvement to be performed primarily for the water utility.” See Figure 2.~~

EE. ~~“Tacoma Youth Resident” shall mean any person, not defined as a Resident of the Community Empowerment Zone, between the ages of 18-24 who continues to occupy a dwelling within the boundaries of the City of Tacoma, has a present intent to continue residency within the boundaries of the City, and who demonstrates the genuineness of that intent by producing evidence that the person’s presence is more than merely transitory in nature.~~

Z. Washington State Labor and Industry Prevailing Wage shall mean the hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of workers, laborers, and mechanics. Prevailing wages are established, by the Department of Labor & Industries, for each trade and occupation employed in the performance of public work. They are established separately for each county, and are reflective of local wage conditions.

(Ord. 28147 Ex. B; passed May 7, 2013; Ord. 28110 Ex. C; passed Dec. 4, 2012; Ord. 27815 Ex. A; passed Jun. 30, 2009; Ord. 27368 § 1; passed Jun. 21, 2005; Ord. 26698 § 1; passed Sept. 12, 2000; Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.040 LEAP goals.

A. Utilization Goals.

1. All Contractors constructing Civil Projects or Building Projects, and all Service Providers involved with the construction of a Public Work or Improvement, shall ensure that ~~the lesser of~~ at least 15 percent of the total Labor Hours actually worked on the Project, ~~or 15 percent of the Estimated Labor Hours,~~ are performed by persons having their residence within the boundaries of the City of Tacoma or Economically Distressed ZIP Codes, whether or not any such person is an Apprentice, ~~or by Apprentices who are residents of Pierce County, unless as adjusted per subsection B below.~~

a. The thresholds for this section shall be \$250,000.00 for Civil Projects and \$750,000.00 for Building Projects.

2. ~~Twenty-five percent (25%) of the Labor Hours or Estimated Labor Hours identified as the LEAP Utilization Goal above shall have work performed by a CEZ Resident; provided, however, that the Utilization Goal Estimated Labor Hours are subject to adjustment as provided in subsection B below.~~

Fifteen percent (15%) of the Total Labor Hours on contracts above one-million dollars (\$1,000,000.00) shall have work performed by Apprentices who are residents of the Tacoma Public Utilities Service Area consistent with RCW 39.04.320(1)(a), subject to waiver based on exceptions as specified in RCW 39.04.320(2)(a), (b), and (c).

3. ~~If the Project is located within the Tacoma Power Hydro Project Areas, then 25 percent of the Labor Hours or Estimated Labor Hours identified as the LEAP Utilization Goal above in subsection A.1 or A.2 may be work performed by a Resident of the Tacoma Power Hydro Project Areas in which the Building Project, Civil Project, or Service Contract is located; provided however, that the Utilization Goal Estimated Labor Hours are subject to adjustment as provided in this section.~~

Labor Hours performed by non-residents of the State of Washington will be deducted from a project’s total Labor Hours for purposes of determining compliance with the requirements of this chapter.

4. ~~If the Project is within the Tacoma Water Green River Headworks and Watershed Area, then the 25 percent requirement of the Labor Hours or Estimated Labor Hours identified in subsection A.1 or A.2 above as the LEAP Utilization Goal may be work performed by Apprentices who reside in King County or by a Resident of the Duwamish and White Center CEZ or of Tacoma Water Green River Headworks and Watershed Area in which the~~

~~Building Project, Civil Project, or Service Contract is located; provided however, that the Utilization Goal Estimated Labor Hours are subject to adjustment as provided in this section.~~

5. All Contractors and Service Providers shall submit a LEAP Utilization Plan as provided for in the regulations adopted under this chapter, and shall meet with the LEAP Coordinator to review said Plan prior to being issued a Notice to Proceed. Failure to submit a LEAP Utilization Plan may be grounds for the City to withhold remittance of a progress payment until such Plan is received from the responsible Contractor or Provider. A meeting with the LEAP Coordinator prior to issuance of a Notice to Proceed shall be excused only when the LEAP Coordinator is unavailable to meet prior to the scheduled date for issuance of the Notice to Proceed and the Contractor and the LEAP Coordinator have otherwise scheduled a meeting for the coordinator to review the Contractor's or Provider's plan.

The Contractor or Service Provider shall be responsible for meeting the LEAP utilization goal requirements of the contract, including all amendments and change orders thereto, and shall be responsible for overall compliance for all hours worked by Subcontractors. To the extent possible, the Contractor or Service Provider shall recruit Apprentices from multiple trades or crafts.

~~B. Adjustments:~~

~~Contractors and Service Providers may achieve compliance with their LEAP Utilization Goal obligation through any combination of the following:~~

- ~~1. The number of hours worked by a Resident of the CEZ or Seattle's Duwamish and White Center CEZ shall be multiplied by two;~~
- ~~2. The number of hours worked by a Tacoma Youth, Tacoma Veteran or Tacoma Apprentice shall be multiplied by 1.5;~~
- ~~3. The number of hours worked by a Resident of Tacoma, Pierce County Youth, Pierce County Veteran or a Pierce or King County Apprentice shall be multiplied by 1;~~
- ~~4. The number of hours worked by a Tacoma Power Hydro Project Areas Resident shall be multiplied by 1.~~
- ~~5. Should the Contractor or Service Provider be unable to satisfy the sub-utilization goal requirement that 25 percent of the utilization goal hours be worked by CEZ Residents, the Contractor or Service Provider shall cure such deficiency by achieving a 2-for-1 ratio of hours worked by a Pierce County Apprentice, Pierce County Youth, Pierce County Veteran, Tacoma Power Hydro Project Areas Resident, or Resident of Tacoma for every unmet CEZ Resident labor hour until the CEZ deficiency is met. For example, if a Contractor has a total LEAP utilization goal of 20 hours, but is only able to achieve 4 of the 5 sub-goal labor hours, then the Contractor must achieve a total of 17 non-CEZ Resident labor hours to satisfy the deficiency (15 non-sub goal hours plus 2 labor hours for the 1 missed sub-goal hour).~~
- ~~6. For projects in the Tacoma Water Green River Headworks and Watershed Area, should the Contractor or Service Provider be unable to satisfy the subutilization goal requirement that 25 percent of the utilization goal hours be worked by CEZ Residents, the Contractor or Service Provider shall cure such deficiency by achieving a 2-for-1 ratio of hours worked by a King County Apprentice or Duwamish and White Center CEZ resident for every unmet CEZ Resident labor hour until the deficiency is met.~~

~~C. Failure to Meet Utilization Goal.~~

1. Contracts for the construction of Building projects or Civil ~~p~~Projects and Service Contracts shall provide that Contractors or Service Providers failing to meet the LEAP utilization goals shall be assessed an amount for each hour that is not achieved. The amount per hour shall be based on the extent the Contractor or Service Provider met its goal. The amount per hour that shall be assessed shall be as follows:

Percent of Goal Met	Assessment per unmet hour
100%	\$ 0.00
90% - 99%	\$ 2.00
75% to 89%	\$ 3.50
50% to 74%	\$ 5.00
1% to 49%	\$ 7.50
0%	\$10.00

When determining the percent of goal that is met, all rounding shall be down to the nearest whole percent. No penalty shall be waived by the City unless it is determined by the Director to be in the best interests of the City, which determination shall be made after consultation with the LEAP Coordinator.

2. Deposit of Assessments. All assessments imposed pursuant to this section shall be deposited into a separate account and utilized to support the City's pre-apprenticeship and training program. The policies and regulations adopted by the City Manager and Director of Utilities pursuant to this chapter shall address issues pertaining to a Contractor's existing workforce. Contributions need not be made for Labor Hours that have been adjusted in accordance with Section 1.90.040(E).

DC. LEAP Reports. Notwithstanding the provisions of TMC 1.90.100, the Director shall, not less than annually, publish a LEAP report setting forth Contractor compliance with this chapter. Said report shall include information on all contracts and all Contractors to which this chapter applies, and shall detail the level and nature of LEAP participation by contract and by Contractor. The Director's LEAP report may include such other information as may be helpful to assuring fair and accurate representation of the contracts, Contractors or projects covered in the report. The Director's LEAP reports may be considered by the Board of Contracts and Awards in its determinations as to bidder responsibility.

ED. LEAP Goal Adjustments.

1. LEAP utilization goals may be adjusted prior to bid opening and/or as a result of a contract amendment or change order on a Building Project, Civil Project, or Service Contract.

a. If LEAP utilization goals are adjusted prior to bid opening, they shall be set forth in the bid or Request For Proposal advertisement and specification documents or in an addendum timely provided to prospective bidders, provided that such adjustment shall be based upon a finding by the Project Engineer that the reasonable and necessary requirements of the contract render LEAP utilization unfeasible at the required levels. The Director shall concur with the Project Engineer's finding, provided that should the Project Engineer and the Director fail to reach agreement on the Project Engineer's finding, then in that circumstance the matter shall be referred to the City Manager or the Director of Utilities, as appropriate, for ultimate resolution. Notwithstanding any other provision of this chapter to the contrary, the decision of the City Manager or the Director of Utilities with regard to LEAP goal adjustment may not be appealed.

b. If LEAP utilization goals are adjusted due to contract amendment or change order, the amount of adjustment shall be consistent with the utilization goals set forth in this chapter and shall be determined pursuant to regulations adopted pursuant to this chapter for administration of LEAP utilization goal adjustments.

2. The methodology of determining the appropriate adjustments to LEAP utilization goals shall be determined in consultation with the LEAP Advisory Committee, established pursuant to this ordinance for so long as the LEAP Advisory Committee remains in existence.

3. LEAP utilization goals shall not apply to those portions of a project that are funded by sources other than (a) City funds, or (b) funds which the City expends or administers in accordance with the terms of a grant to the City, provided that the Project Engineer shall notify the Director of such non-application prior to bid advertisement. For the purposes of this paragraph, credits extended by another entity for the purpose of providing project funding shall not be considered to be City funds.

FE. Utilization - Electrical Projects Outside Electrical Service Area. Civil Projects or Building Projects that are constructed primarily for the benefit or use by the City's Electrical Utility, which are wholly situated outside the

Electrical Service Area, and for which the estimated cost is less than \$1,000,000.00, are exempt from the requirements of this chapter.

GF. Utilization - Water Projects Outside Water Service Area. Civil Projects or Building Projects that are constructed primarily for the benefit or use by the City's ~~w~~Water ~~u~~Utility, which are wholly situated outside the Water Service Area, and for which the estimated cost is less than \$1,000,000.00 are exempt from the requirements of this chapter.

G. Utilization –Projects Outside Tacoma Public Utilities Service Area. Civil Projects or Building Projects that are constructed primarily for the benefit or use by Tacoma Public Utilities, which are wholly situated outside the Tacoma Public Utilities Service Area, and for which the estimated cost is less than \$1,000,000.00 are exempt from the requirements of this chapter. Projects wholly situated outside the Tacoma Public Utilities Service Area, and for which the estimated cost is more than \$1,000,000.00, shall be exempt from 15% utilization goal specified in subsection A1. of this section. The 15% utilization goal specified in subsection A2. of this section may be met if project work is performed by Apprentices who are enrolled in a course of training specific to a particular construction trade or craft, provided such training has been approved by the Washington State Apprenticeship and Training Council in accordance with Chapter 49.04, RCW.

H. Emergency. This chapter shall not apply in the event of an Emergency. For the purposes of this section, an "Emergency" means unforeseen circumstances beyond the control of the City that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

I. Conflict with State or Federal Requirements. If any part of this chapter is found to be in conflict with federal or state requirements which are a prescribed condition to the allocation of federal or state funds to the City, then the conflicting part of this chapter is inoperative solely to the extent of the conflict and with respect to the City departments directly affected. This provision does not affect the operation of the remainder of this chapter. Administrative rules or regulations adopted under this chapter shall meet federal and state requirements which are a necessary condition to the receipt of federal or state funds by the City.

(Ord. 28147 Ex. B; passed May 7, 2013: Ord. 27815 Ex. A; passed Jun. 30, 2009: Ord. 27368 § 2; passed Jun. 21, 2005: Ord. 26992 § 1; passed Oct. 15, 2002: Ord. 26698 § 2; passed Sept. 12, 2000: Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.050 Good faith efforts. *Repealed by Ord. 27368.*

(Ord. 27368 § 3; passed Jun. 21, 2005: Ord. 26698 § 3; passed Sept. 12, 2000: Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.060 Effect of program on prime contractor/service provider - subcontractor relationship.

The LEAP Program shall not be construed so as to modify or interfere with any relationship between any Contractor or Service Provider and Subcontractor. The LEAP Program shall not grant the City any authority to control the manner or method of accomplishing any construction work that is additional to any authority retained by the City in a Public Works contract.

(Ord. 26698 § 4; passed Sept. 12, 2000: Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.070 Apprentice utilization requirements – Bidding and contractual documents.

All packages of bid documents for every Building Project and every Civil Project shall incorporate provisions satisfactory to the City Attorney so as to allow enforcement of the provisions contained in this Chapter. Such contractual provisions may include liquidated damages, calculated to reimburse the City for the Contractor's breach of these performance requirements, which shall be published with the City's call for bids.

(Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.080 Enforcement.

A. The Director shall review the Contractor's or Service Provider's and all Subcontractor's employment practices during the performance of the work for compliance with LEAP Program requirements. On-site visits may be conducted as necessary to verify compliance with the requirements of the LEAP Program. The Contractor, Service Provider, or Subcontractors shall not deny to the City the right to interview its employees, provided that the Director shall make reasonable efforts to coordinate employee interviews with employers.

B. Any knowing failure or refusal to cooperate in compliance monitoring may disqualify the defaulting Contractor, Service Provider, or Subcontractor from eligibility for other City contracts.

C. The making of any material misrepresentation may disqualify the defaulting Contractor, Service Provider, or Subcontractor from eligibility for other City contracts.

D. Any action by the City, its officers and employees, under the provisions of this Chapter may be reviewed by the Board of Contracts and Awards, upon written application of the party so affected. Application shall be made within twenty (20) days of the date of the action upon which the appeal is based, and provided to the City by certified mail or by personal service. Any action taken by the Board of Contracts and Awards may be appealed to the City Council or Public Utility Board, as appropriate, and thereafter if desired, to the Superior Court of Pierce County, Washington, within fifteen (15) days of the previous decision.

(Ord. 26698 § 5; passed Sept. 12, 2000; Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.090 Compliance with applicable law.

Nothing in this Chapter shall excuse a Prime Contractor, Service Provider, or Subcontractor from complying with all relevant federal, state, and local laws.

(Ord. 26698 § 6; passed Sept. 12, 2000; Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.100 Review and reporting.

The City Manager and Director of Utilities shall review the Program on or before January 1, 2000, and every two (2) years thereafter, and shall report to the City Council and Public Utility Board the Manager's and Director's findings, conclusions, and recommendations as to the continued need for the Program, and any revisions thereto that should be considered by the Council and Board.

(Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.105 Authority.

The City Manager and the Director of Utilities shall have authority to jointly adopt policies and regulations consistent with this chapter to implement the LEAP program.

(Ord. 26698 § 7; passed Sept. 12, 2000; Ord. 26301 § 1; passed Oct. 6, 1998)

1.90.110 Interpretation.

This Chapter shall not be interpreted or construed so as to conflict with any state or federal law, nor shall this Chapter be enforced such that enforcement results in the violation of any applicable judicial order.

(Ord. 26301 § 1; passed Oct. 6, 1998)



RESOLUTION NO. U-11000

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A RESOLUTION related to amending Customer Service Policies to allow for a pilot program that provides contributions by Tacoma Power for distribution infrastructure conversions from overhead to underground for commercial and multi-family development projects.

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division (d.b.a. "Tacoma Power") has requested specific amendments to the Customer Service Policies 9.0 Overhead-to-Underground Conversion L.I.D. and 10.0 Prepaid Overhead-to-Underground Primary Line Conversion that allow for a pilot program that provides contributions by Tacoma Power of 30% for distribution infrastructure conversions from overhead to underground for commercial and multi-family dwelling development projects, and

WHEREAS, after a year of research, Tacoma Power staff has evaluated the benefits of a pilot program for the City of Tacoma that includes improved clearance from electrical hazards allowing for zero lot line development for higher density Land Use Planning, opportunities for coordination and leverage construction efforts with City Street Improvement Projects, and harmony with other City Policies and Objectives, and

WHEREAS, in addition, Tacoma Power taxpayers would recognize benefits of improved reliability, increased safety, and reduced O&M costs as detailed in the Leidos 2016 study: *Projected Utility Justifiable Contribution for Undergrounding Distribution Electrical Infrastructure*, and

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WHEREAS, in addition, the Public Utility Board was asked by City Council to pursue a policy to allow for more flexibility for commercial developers by removing overhead lines to encourage private sector investment, and

WHEREAS the pilot program will be limited to the Brewery District, which is bounded on the north by South 17th Street, on the south by South Tacoma Way, on the west by Tacoma Avenue and on the east by Pacific Street.

WHEREAS the duration of time will be for a three-year period, during which annual updates will be made to the Public Utility Board and a summary report will be provided detailing how the pilot project was utilized, and

WHEREAS a maximum amount of \$10 million dollars will be allocated for such project; Now, therefore,

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

Sec. 1. The Public Utility Board of the City of Tacoma hereby concurs with the recommendations of Tacoma Power to approve amendments to the Customer Service Policies 9.0 Overhead-to-Underground Conversion L.I.D. and 10.0 Prepaid Overhead-to-Underground Primary Line Conversion, and hereby approves policies that allow for a pilot program that provides contributions by Tacoma Power of 30% for distribution infrastructure conversions from overhead to underground for commercial and multi-family dwelling development projects.

Sec. 2. The proposed revisions to Customer Service Policies 9.0 Overhead-to-Underground Conversion L.I.D. and 10.0 Prepaid Overhead-to-

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Underground Primary Line Conversion as set forth in the attached Exhibit "A"
are approved and the City Council is requested to concur in this action.

Approved as to form and legality:

[Signature]
Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____

of March 28, 2018

REQUEST FOR RESOLUTION

Date: March 20, 2018

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 to allow for a pilot program that provides contributions by Tacoma Power of 30% for distribution infrastructure conversions from overhead to underground for commercial and multi-family development projects.

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

Amend necessary Customer Service Policies to allow for a pilot program that provides contributions by Tacoma Power of 30% for distribution infrastructure conversions from overhead to underground for commercial and multi-family dwelling development projects.

To determine the implications of the pilot program and to limit potential fiscal impact, the proposed resolution specifies changes to the Customer Service Policies that set forth the following limitations concerning area, time duration and fiscal exposure:

- The area will be limited to the Brewery District which is bounded on the north by South 17th Street, on the south by South Tacoma Way, on the west by Tacoma Avenue and on the east by Pacific Street.
- The time duration will extend for a three-year period during which annual updates will be made to the PUB and a summary report will be provided detailing how the pilot project was utilized.
- A maximum of \$10 Million dollars will be allocated for the entire pilot project.

3. Summarized reason for resolution:

During the year of research, staff has evaluated the benefits of such a pilot program to City of Tacoma including improved clearance from electrical hazards allowing for zero lot line development for higher density Land Use Planning, opportunities for more coordination and leverage construction efforts with City Street Improvement Projects and harmony with other City Policies & Objectives.

Additionally, Tacoma Power ratepayers would recognize benefits of improved reliability, increased safety, and reduced O&M costs as detailed in the Leidos 2016 study; *Projected Utility Justifiable Contribution for Undergrounding Distribution Electrical Infrastructure*. Additionally, the PUB was asked by City Council to pursue a policy to allow for more flexibility for commercial developers by removing overhead lines, encouraging private sector investment.

4. Attachments:

- a. Memo - Undergrounding Pilot Program Resolution, dated 03-12-2017
- b. Customer Service Policies Amended Document


5. Funds available Proposed action has no budgetary impact

6. Deviations requiring special waivers:

Originated by:

Joseph A. Wilson, PE
Transmission & Distribution Manager

Requested by:



Chris Robinson
Power Superintendent/COO

Approved:



Linda McCrea
Interim Director of Utilities / CEO

MEMORANDUM



DATE: March 15, 2018
TO: Mayor and Council Members
CC: Chair and Board Members
FROM: Linda McCrea, Interim Director of Utilities
SUBJECT: Undergrounding Pilot Program Resolution

A diversified team of Tacoma Power staff from T&D, Power Management and Economic Development have been working on a Strategic Initiative concerning Economic Development related policies. One potential policy amendment would provide for Tacoma Power to contribute to the cost of conversions from overhead to underground for certain commercial developments.

Tacoma Power's Customer Service Policies, which were amended most recently in 2013, include a 30% contribution for overhead-to-underground conversion for residential locations in which the conversion is done through an LID. Tacoma Power also has several Franchise Agreements with other cities which allow for at least a 30% contribution by Tacoma Power for distribution overhead-to-underground conversions with or without an LID for residential and commercial locations.

The PUB has directed staff to draft a resolution implementing a pilot program for contributions from Tacoma Power toward the costs associated with distribution overhead-to-underground conversions of power infrastructure for commercial and multi-family dwelling development projects.

The Customer Service Policies document will require a change to encompass a pilot program that provides contributions by Tacoma Power of 30% for distribution infrastructure conversions from overhead to underground for commercial and multi-family dwelling development projects whether prepaid or with an LID. To determine the implications of the pilot program and to limit potential fiscal impact, the proposed resolution specifies the following stipulations of area, time duration and fiscal exposure:

- The area will be limited to the Brewery District which is bounded on the north by South 17th Street, on the south by South Tacoma Way, on the west by Tacoma Avenue and on the east by Pacific Street.
- The time duration will extend for a three-year period during which annual updates will be made to the PUB and a summary report will be provided detailing how the pilot program was utilized.
- A maximum of \$10 Million dollars will be allocated for the entire pilot program.

During the year of research, staff has evaluated the benefits of such a program to the City of Tacoma including improved clearance from electrical hazards allowing for zero lot line development for higher density Land Use Planning, opportunities for more coordination and leverage construction efforts with City Street Improvement Projects and harmony with other city policies and objectives. Additionally, Tacoma Power ratepayers would recognize benefits of improved reliability, increased safety, and reduced O&M costs as detailed in the Leidos 2016 study; *Projected Utility Justifiable Contribution for Undergrounding Distribution Electrical Infrastructure*. Additionally, the proposed policy amendment will further City Council goals by allowing for more flexibility and encouraging private sector investment.

The proposed pilot program will be limited to projects that have secured assurance that all overhead infrastructure will be converted to underground. The proposed program also requires a contribution stipulation that would require conversion projects be of a minimum practical size (e.g. at least one city block, where applicable, both sides of the street, etc.) Following the pilot program, permanent changes may be made to the Customer Service Policy document.

Meanwhile Tacoma Power Staff will continue to pursue related items to ensure more practical implementation of this pilot program, which will be brought to the PUB in the near future.

1. Staff will consult with Legal and Finance to pursue assistance for customers' conversion costs in conjunction with a distribution overhead to underground infrastructure conversion.
2. Staff will clarify telecommunication franchise requirements that addresses relocation, replacement, rebuild, removal of poles and underground requirements, including for CenturyLink. This will ensure a more complete overhead to underground conversion by all utilities, mitigating stranded overhead poles.
3. Staff will continue to pursue financial implications and other information related utility requirements for overhead and underground infrastructure relocation related to Public Works projects.

EXHIBIT A

CUSTOMER SERVICE POLICIES



Resolution U-10670 Effective December 18, 2013

CUSTOMER SERVICE POLICY

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CUSTOMER SERVICE POLICY

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 POLICY

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

2.0 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.

2.1 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.

2.2 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.

CUSTOMER SERVICE POLICY

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 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 12.8 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

CUSTOMER SERVICE POLICY

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 12.8 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 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.

2.3 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

2.4 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.

CUSTOMER SERVICE POLICY

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.
- 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.

CUSTOMER SERVICE POLICY

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 ordinance 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 & Distribution procedures.

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.

CUSTOMER SERVICE POLICY

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.

2.5 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.

5.0 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.

CUSTOMER SERVICE POLICY

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.

6.0 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.

CUSTOMER SERVICE POLICY

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.
- 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.

CUSTOMER SERVICE POLICY

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.
 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.

CUSTOMER SERVICE POLICY

4. A transportation agreement to install and service the transformers, equipment, and power cables will be required between Tacoma Power and the property owner.

7.0 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.

8.0 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.

CUSTOMER SERVICE POLICY

9.0 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.
 - 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.
 - 3. Pilot Program for Brewery District Commercial L.I.D.s - For a three year period beginning April 1, 2018 and ending April 1, 2021, Tacoma Power will implement a ten million dollar pilot program to financially contribute to commercial and multi-family dwelling L.I.D.s and prepaid overhead to underground primary distribution line conversion projects. This program does not apply to transmission line conversion projects.
 - a. L.I.D. property owner assessments shall provide for 70 percent of the total cost of converting the existing overhead primary electrical

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distribution system to underground. 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 for commercial and multi-family dwelling development projects.
- c. Costs associated with forced relocation of existing underground non-electric facilities of enterprise utilities (such as water, sewer and storm) due to displacement by electrical distribution infrastructure being converted from overhead to underground, shall be included in the total cost of conversion, qualify for 30 percent contribution from Tacoma Power. For franchise utilities, Tacoma Power will exercise the City's franchise rights.
- d. The pilot program will be limited to the Brewery District area which is bounded on the north by South 17th Street, on the south by South Tacoma Way, on the west by Tacoma Avenue and on the east by Pacific Street.
- e. A total maximum aggregate of up to ten million (\$10,000,000.00) dollars may be used for the pilot program. The Director will monitor the pilot program and report annually to the TPU Board as to the utilization and implementation of the pilot program.
- f. The pilot program will be limited to projects that have secured assurance that all overhead infrastructure will be converted to underground.
- g. Distribution overhead to underground conversion projects must be of a minimum practical size; at least one block or 850 feet. The utility shall determine the practical limit where a block is defined by a non-alley paved street. Projects should include crossing to the far side of non-alley paved streets. Where applicable, practical, and financially efficient, and if distribution power infrastructure exists on both sides of the street, then infrastructure on both sides of the street shall be converted. Location of termination poles incorporating underground to overhead transitions will be determined by the utility. Said termination poles will be located near intersections where practicable.

- 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

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will not be included when determining the amount to be paid by Tacoma Power. These charges will be allocated per existing laws and franchise agreements.

- 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

A. 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.

B. As part of the pilot program for the Brewery District described in Section 9.D.3, for a three year period beginning April 1, 2018 and ending April 1, 2021, Tacoma Power will implement a ten million dollar pilot program to financially contribute to commercial and multi-family dwelling L.I.D. and prepaid overhead to underground primary distribution line conversion projects. This program does not apply to transmission line conversion projects.

- a. Tacoma Power will provide 30 percent of the total cost of converting the existing overhead primary electrical Distribution system to underground for commercial and multi-family dwelling development projects.
- b. The remaining seventy percent of the total cost of converting the existing overhead primary electrical Distribution system to underground shall be provided by the Developer or Commercial Customer in advance of any engineering and construction scheduling.
- c. Costs associated with forced relocation of existing underground non-electric facilities of enterprise utilities (such as water, sewer and storm) due to displacement by electrical distribution infrastructure being converted from overhead to underground, shall be included in the total cost of conversion, qualify for 30 percent contribution from Tacoma Power. For franchise utilities, Tacoma Power will exercise the City's franchise rights.
- d. The pilot program will be limited to the Brewery District area which is bounded on the north by South 17th Street, on the south by South

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Tacoma Way, on the west by Tacoma Avenue and on the east by Pacific Street.

- e. A total maximum aggregate of up to ten million (\$10,000,000.00) dollars may be used for the pilot program. The Director will monitor the pilot program and report annually to the TPU Board as to the utilization and implementation of the pilot program.
- f. The pilot program will be limited to projects that have secured assurance that all overhead infrastructure will be converted to underground.
- g. Distribution overhead to underground conversion projects must be of a minimum practical size; at least one block or 850 feet. The utility shall determine the practical limit where a block is defined by a non-alley paved street. Projects should include crossing to the far side of non-alley paved streets. Where applicable, practical, and financially efficient, and if distribution power infrastructure exists on both sides of the street, then infrastructure on both sides of the street shall be converted. Location of termination poles incorporating underground to overhead transitions will be determined by the utility. Said termination poles will be located near intersections where practicable.
- h. Any costs 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. These costs will be provided by the Developer or Commercial Customer per existing laws and franchise agreements.
- i. Converting Secondary Service on private property is sole financial responsibility of the Developer or Commercial Customer. The Customer must supply and install the secondary conductor and conduit from the meter to the Secondary Service box.

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.

12.0 COMMERCIAL AND INDUSTRIAL PRIMARY-METERED SERVICE (12.5 kV and 13.8 kV)

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- 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.
- 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

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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.

13.0 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.

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

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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.

13.1 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.

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- 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.

13.2 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.

13.3 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.

13.4 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.

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13.5 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.

13.6 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.

13.7 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.

14.0 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:

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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.
- 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.

CUSTOMER SERVICE POLICY

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.

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

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.

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 POLICY

DEFINITIONS

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.

Primary Service – Service with voltages greater than 600 volts.

Secondary Service – Service with voltages less than 600 volts.

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.

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.

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.

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

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.

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.