



RESOLUTION NO. U-11136

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

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

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

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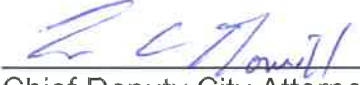


WHEREAS the Director requests authorization, pursuant to
TMC 1.06.269 A, to amend contract amounts up to \$200,000 and to approve
term extensions and renewals for all items contained in Exhibit "A;" Now,
therefore,

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:



Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____

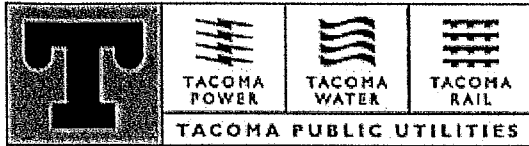


EXHIBIT "A"

RESOLUTION NO.:

ITEM NO.:

MEETING DATE: JANUARY 22, 2020

TO: Board of Contracts and Awards

FROM: Shannon Wall, Water Division Manager, Planning & Engineering
Troy Saghafi, P.E., Professional Engineer, Planning & Engineering

COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Alex Clark, Finance/Purchasing

SUBJECT: Water Main Replacement Project No. MRP 2019-34
Hoyt Road and 47th Ave. S.W.
Request for Bids Specification No. WD19-0370F– December 31, 2019

DATE: January 9, 2020

RECOMMENDATION SUMMARY:

Tacoma Water Planning & Engineering recommends that a contract be awarded to Pape & Sons Construction, Inc. Gig Harbor, WA, for the replacement of asbestos cement water mains along Hoyt Road and 47th Ave. S.W., from S.W. 326th Street to S.W. 320th Street, within the City of Federal Way, in the amount of \$855,267.50 plus any applicable taxes.

BACKGROUND:

This contract provides for the removal and replacement of existing asbestos cement water main with approximately 2,123 linear feet of 12-inch and 8-inch ductile iron water main mains along Hoyt Road and 47th Ave. S.W., from S.W. 326th Street to S.W. 320th Street, in the City of Federal Way. Replacing the water main will increase the level of service provided to Tacoma Water customers by increasing fire flow, enhancing operational flexibility, and improving the long-term reliability of the distribution system.

The City of Federal Way proposes to replace street pavement along the project extents beginning May 1, 2020. This is a project of opportunity for Tacoma Water to replace asbestos cement water main installed circa 1976 prior to the City's pavement replacement project.

ISSUE:

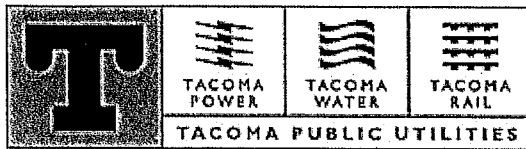
Recent condition assessment testing indicates the existing asbestos cement water main is in poor condition.

ALTERNATIVES:

Tacoma Water considered rehabilitating the water main however this option was cost prohibitive and does not provide a long-term solution.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. WD19-0370F was opened December 31, 2019. Thirty-one (31) companies were invited to bid in addition to normal advertising of the project. Seven (7) submittals were received.



Pape & Sons Construction, Inc. submitted a bid that resulted in the lowest submittal after consideration of SBE participation goals. The table below reflects the amount of the base award.

Respondent	Location	Submittal Amount	Evaluated Submittal
Pape & Sons Construction, Inc.	Gig Harbor, WA	\$855,267.50	\$746,004.13
Kar-Vel Construction	Renton, WA	\$883,162.80	\$773,899.43
Miles Resources, LLC	Puyallup, WA	\$911,200.00	\$801,936.63
Northwest Cascade, Inc.	Puyallup, WA	\$997,439.00	\$888,175.63
Sound Pacific Construction, LLC	Gig Harbor, WA	\$1,143,962.00	\$1,034,698.63
Strickland & Sons, Inc.	Buckley, WA	\$1,207,969.05	\$1,025,795.68
Active Construction, Inc.	Puyallup, WA	\$1,304,030.91	\$1,194,767.54

Pre-bid Estimate: \$833,425.00

The recommended award is 3 percent over the pre-bid estimate.

CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated March 25, 2019. The SBE goal for this project is 11 percent. The SBE participation level of the recommended contractor is 11.98 percent. Pape & Sons Construction, Inc. submitted the lowest bid per the SBE Regulation requirements. The recommended contractor must meet the Local Employment and Apprenticeship Training Program (LEAP) goal of 15 percent Local Employment Utilization.

FISCAL IMPACT:

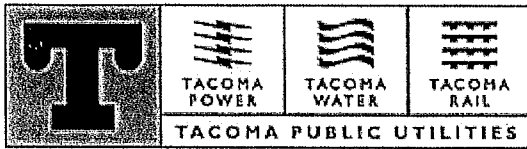
EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT *
4600 13-WC 2013 Bond Fund	WTR-00604-01-05	5330100	\$855,267.50
TOTAL			\$855,267.50

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT*
4600 13-WC 2013 Bond Fund	586313	6311163	\$855,267.50
TOTAL			\$855,267.50

* Excluding Applicable Sales Tax



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$855,267.50

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

Scott Dewhirst, Water Superintendent

APPROVED:

Jackie Flowers, Director of Utilities

TS/MA

Attachment: Signed SBE Eval WD19-0370F



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

To: Todd Honey

Date: 1/2/2020

Subject: **WD19-0370F**, Water Main Replacement Project, MRP 2019-34, 47th Ave SW (Hoyt RD)
\$785,267.50; plus applicable sales tax.

Contractor: Pape & Sons Construction Inc
9401 Bujacich Rd
Gig Harbor, WA 98332

Subcontractors to be used on the project:

☒ **APPROVED**

Apparent Low Bidder met SBE requirement.
Bidder is in compliance with required provisions of Ordinance 27867.

☐ **DISAPPROVED**

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

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

Fund Number: WTR-00604-01-05-01



Clifford Armstrong III
Contract & Program Auditor

SBE Evaluation

Contract: WD19-0370F

DESCRIPTION Water Main Replacement Project, MRP 2019-34, 47th Ave SW (Hoyt Rd)

	Contractor Name	Base Bid	SBE Bid	SBE %	SBE Credit	Evaluated Bid	Lowest Evaluated Bid
Low Bid	Pape & Sons	\$ * 785,267.50	\$ 94,100.00	11.98%	\$ 39,263.38	\$ 746,004.13	
2nd Low	Karvell Construction	\$ * 813,162.80	\$ 158,000.00	19.43%	\$ 39,263.38	\$ 773,899.43	
3rd Low	Miles Resources, LLC	\$ * 841,200.00	\$ 113,000.00	13.43%	\$ 39,263.38	\$ 801,936.63	
4th Low	NW Cascade Construction	\$ * 927,439.00	\$ 120,000.00	12.94%	\$ 39,263.38	\$ 888,175.63	
5th Low	Strickland & Sons	\$ * 1,065,059.05	\$ 150,000.00	14.08%	\$ 39,263.38	\$ 1,025,795.68	
6th Low	Sound Pacific	\$ * 1,073,962.00	\$ 686,377.20	63.91%	\$ 39,263.38	\$ 1,034,698.63	
7th Low	Active Construction	\$ * 1,234,030.91	\$ 160,000.00	12.97%	\$ 39,263.38	\$ 1,194,767.54	

* AMOUNT EXCLUDES TAX AND FORCE ACCOUNT

February 22, 2019

MOTION

I hereby move that the following motion be approved:

20-01. That upon concurrence by the City Council, the Director of Utilities is hereby authorized to amend the settlement previously approved by the Board on February 11, 2015, in the matter of: *Joseph Lochridge v. City of Tacoma*, U.S. District Court Case No. 3:14-cv-05053-RJB, by increasing the settlement by an additional \$3,459.00, to correct a miscalculation related to complying with the terms of the settlement.



RESOLUTION NO. U-11137

A RESOLUTION relating to Tacoma Power, authorizing a Funding Agreement with Northwest Energy Efficiency Alliance.

WHEREAS the Department of Public Utilities, Light Division (d.b.a. "Tacoma Power"), seeks approval to the execution of Cycle 6 (5-year) Funding Agreement with Northwest Energy Efficiency Alliance ("NEEA"), of Portland, Oregon, for the period covering January 1, 2020 through August 1, 2025, to provide upstream market services for regional energy efficiency programs, and

WHEREAS NEEA is an alliance of more than 13 direct funding Northwest utilities and energy efficiency organizations, which share in the funding of the NEEA programs and activities dedicated to accelerating electric and natural gas efficiency, and

WHEREAS NEEA serves Tacoma Power and its customers through facilitating regional upstream market transformation efforts to save energy, and

WHEREAS NEEA provides a way for Northwest utilities to pool program costs and risks while providing a credible influence on manufacturers and other upstream market actors to provide future cost-effective energy efficiency measures for Tacoma Power's program efforts, and

WHEREAS Tacoma Power achieves cost effective savings created by NEEA's upstream market activities, and

WHEREAS this request is the 6th of 6 funding cycles over which Tacoma Power participated in NEEA, and



1
2 WHEREAS this Funding Cycle 6 includes an optional Special Project
3 Order for Tacoma Power to participate in the NEEA Strategic Energy
4 Management (SEM) Infrastructure Program to guide commercial and industrial
5 businesses in strategically managing their energy through best operations and
6 maintenance practices, and

7
8 WHEREAS the Cycle 6 Funding Agreement for \$1,507,965, provides
9 funding for NEEA's general operations and program management, and

10 WHEREAS the Funding Agreement includes a Special Project Order for
11 \$37,185, for Tacoma Power's participation in NEEA's Strategic Energy
12 Management Infrastructure Program; Now, Therefore,

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

14 That the Cycle 6 (5-year) Funding Agreement with Northwest Energy
15 Efficiency Alliance, in the amount of \$1,507,965, and a Special Project Order, in
16 the amount of \$37,185, (for a combined total of \$1,545,150), effective January
17 1, 2020, through August 1, 2025, is hereby approved, and the proper officers of
18 the City are authorized to execute said Agreement substantially in the form as
19 on file with the Clerk and as approved by the City Attorney.
20

21 Approved as to form:

Chair

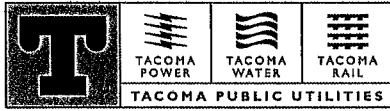
22
23 *R C Norrell*

Chief Deputy City Attorney

Secretary

24
25 _____
Clerk

Adopted _____



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Chris Robinson
MEETING DATE: 1/22/2020
DATE: 1/13/2020

SUMMARY: Authorize execution of Cycle 6 (5-year) Funding Agreement with Northwest Energy Efficiency Alliance to provide upstream market services for regional energy efficiency programs. This board action consists of one core Funding Agreement for \$1,507,965 that provides funding for NEEA's general operations and program management, and a Special Project Order for \$37,185 which provides for Tacoma Power's voluntary participation in NEEA's Strategic Energy Management Infrastructure program. Tacoma Power's 5-year commitment does not exceed \$1,545,150 for these two funding agreements.

BACKGROUND: NEEA is a professionally managed and staffed regional alliance of 16 direct funding northwest utilities and energy efficiency organizations working on behalf of 13 million customers. The Alliance serves Tacoma Power and its customers through facilitating regional upstream market transformation efforts to save energy. NEEA provides a way for Northwest utilities to pool program costs and risks as while providing a credible influence on manufacturers and other upstream market actors to provide future cost effective energy efficiency measures for Tacoma Power's program efforts. Tacoma Power claims savings created by the Alliance's upstream market activities.

This request is the 6th of 6 funding cycles over which Tacoma Power has worked closely with NEEA.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

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

Explain how expenditures are to be covered and if budget modifications are required. NA

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No.

ATTACHMENTS: Attached

CONTACT: Steve Bicker, Assistant Power Manager II, ext. 8141
Provide supervisor's name: Clay Norris
Steve Bicker

**SPECIAL PROJECT ORDER NO. 01 –
STRATEGIC ENERGY MANAGEMENT INFRASTRUCTURE PROGRAM
OF
NORTHWEST ENERGY EFFICIENCY FUNDING AGREEMENT # 51094**

BETWEEN

**NORTHWEST ENERGY EFFICIENCY ALLIANCE, INC.
AND
CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, LIGHT DIVISION, (DBA)
TACOMA POWER**

This Special Project Order (“SPO”) is issued pursuant to the REGIONAL ENERGY EFFICIENCY INITIATIVE AGREEMENT between Northwest Energy Efficiency Alliance, Inc. (“NEEA”) and City of Tacoma, Department of Public Utilities, Light Division, (dba) Tacoma Power (“Tacoma Power”), effective January 1, 2020 (the “Agreement”). This Project Order is subject to the terms and conditions contained in the Agreement.

The Strategic Energy Management Infrastructure Program is a Special Project that is supplemental to Cycle 6 Core Funding in the Agreement. This SPO sets forth additional terms and conditions which govern the funding and operation of the Strategic Energy Management Infrastructure Program (the “SEM Program”). If, during the performance and execution of this SPO, a conflict arises between the terms of the Agreement and the terms of this SPO, the terms of this SPO shall prevail as they apply to this specific SPO.

1. Statement of Work: NEEA shall achieve the Objectives outlined in the SEM Program Statement of Work (Exhibit A) attached to this SPO, which is incorporated into this Agreement by reference.
2. Term: This SPO is effective on January 1, 2020 and will remain in effect for August 1, 2025 months (“SPO Term”) unless terminated earlier pursuant to Section 8 (Exceptions to Funding Commitments) of the Agreement.
3. SEM Program Budget: Tacoma Power’s share of the SEM Program funding shall not exceed \$37,185. Tacoma Power agrees to pay its annual SEM Program funding commitment share of \$7,437.
4. Fixed-Flat Invoice: NEEA will invoice Tacoma Power 25% of its annual SPO contribution on a quarterly invoice thirty (30) days prior to start of each quarter. Tacoma Power shall pay the invoice by the 1st day of each quarter. Invoices will be provided to the Contact Information listed in Exhibit A to the Agreement and may be added as a separate line item on an existing invoice required by the Agreement.

5. True-Up of Funds: If NEEA has not expended the entire funding commitment covered in this SPO at the end of the SPO Term, billings will be reduced or funds will be returned or credited to a future funding agreement.
6. Survival of Obligations: The terms, conditions, and obligations of this SPO, and Sections 4, 5, 6, 7, 9, 10, 11, 12, and 13, of the Agreement, as they apply to the SEM Program, shall survive termination of the Agreement.

CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, LIGHT DIVISION,
(DBA) TACOMA POWER

NORTHWEST ENERGY EFFICIENCY
ALLIANCE, INC.

/s/ _____

/s/ _____

Date: _____

Date: _____

Approved:

Susan E. Stratton

Executive Director

/s/ _____

Finance

Approved as to Form:

/s/ _____

Deputy City Attorney

Exhibit A
Strategic Energy Management (SEM) Infrastructure Program
Statement of Work

Context: Strategic Energy Management (SEM) is recognized as a pathway to deeper energy efficiency within commercial and industrial programs, and is a foundation for deeper and more enduring customer relationships. Existing SEM infrastructure is the result of several years of regional investment and collaboration. In Funding Cycle 5 (2015-2019), Northwest Energy Efficiency Alliance, Inc.'s ("NEEA's") Commercial and Industrial SEM Infrastructure Program ("SEM Infrastructure Program") developed valuable SEM tools and resources on the online SEM Hub knowledge center, increased consensus on common SEM standards, and improved regional and national collaboration on SEM initiatives. In Funding Cycle 6 (2020-2024), NEEA proposes to build on this success and deliver value where the greatest regional market opportunity exists.

The Pacific Northwest region has long identified a need for a set of common resources and best practices to guide commercial and industrial businesses in strategically managing their energy. To address these shared needs cost effectively, NEEA's SEM Infrastructure Program aims to achieve the Objectives described below in Funding Cycle 6.

Objectives: NEEA will deliver the following Objectives as part of the SEM Infrastructure Program in Funding Cycle 6:

1. Support Northwest program administrators with high-value SEM tools and resources to launch, grow, and sustain regional SEM programs.
2. Enable commercial and industrial customers to see value in SEM as a strategy for meeting their sustainability and energy performance goals.
3. Understand baseline SEM practices and identify targeted savings opportunities.
4. Build regional and national consensus on SEM as a best practice or de-facto standard.

NEEA's annual Operations Plan will specify key activities and goals that NEEA will pursue for each year of the SEM Infrastructure Program. These key activities and goals may include the following:

1. The SEM Infrastructure Program will continue to offer a holistic set of tools and resources via SEMHub.com
2. The SEM Infrastructure Program will continue to convene the Northwest SEM Collaborative with a focus on the most pressing needs of funders.
3. The SEM Infrastructure Program will use data analysis as an important new tool for identifying best practices and opportunities.
4. NEEA will form a strategic advisory group in which SEM Infrastructure Program funders will have the opportunity to inform specific activities and deliverables (e.g., which trainings and template will be developed, and which data project should be prioritized).

NORTHWEST ENERGY EFFICIENCY ALLIANCE FUNDING AGREEMENT

Tacoma Power Agreement #

NEEA Agreement # 51094

This Northwest Energy Efficiency Alliance Funding Agreement (“Agreement”) is between the City of Tacoma, Department of Public Utilities, Light Division, (dba) Tacoma Power (“Tacoma Power”), and Northwest Energy Efficiency Alliance, Inc., a nonprofit corporation (“NEEA”), and is effective January 1, 2020 (the “Effective Date”). Tacoma Power and NEEA are sometimes individually referred to as a “Party” and collectively referred to as “Parties”.

Background

- A. NEEA represents an alliance of more than 140 utilities and efficiency organizations working on behalf of more than 13 million energy consumers. This alliance funds the activities and programs of NEEA, which is a fuel-neutral non-profit organization dedicated to accelerating both electric and natural gas energy efficiency. NEEA activities are directed by the NEEA Board of Directors and delegated to and implemented by NEEA staff. NEEA is a unique organization established to realize the benefits of energy efficiency that individual funders are not able to as easily or as efficiently achieve on their own.
- B. Tacoma Power agrees to fund NEEA as described herein to benefit from this long-term value-creating relationship with sustained improvement in energy efficiency, and access to knowledge, new ideas, expertise, improved market power, shared expenses, and shared risk.

In Consideration of the mutual promises exchanged between them, and benefits to be derived by, NEEA and Tacoma Power agree as follows:

AGREEMENT

- 1. Cycle 6 Core Funding:
 - a. NEEA shall deliver the five-year goals and objectives outlined in the NEEA 2020-2024 Business Plan as adopted by the NEEA Board of Directors on December 4, 2018, which is attached hereto and incorporated herein by this reference (the “Business Plan”).
 - b. The Cycle 6 Core Funding Schedule, which is attached hereto as Exhibit A and incorporated herein by this reference, sets forth the total funding commitment for each entity funding the Business Plan and the specific funding commitment, and the payment and invoicing schedule for Tacoma Power. Tacoma Power agrees to provide funds to NEEA for the Business Plan in accordance with the funding commitment and the payment and invoicing schedule outlined in Exhibit A (the “Cycle 6 Core Funding”).
- 2. Term: This Agreement is effective January 1, 2020 and will end on August 1, 2025 unless terminated earlier pursuant to Section 8. Special Project Orders may remain in effect past the termination date of this Agreement.
- 3. Metrics and Reporting:
 - a. Operations Plan:
 - i. For each year of the Business Plan, NEEA will develop an annual Operations Plan (“Operations Plan”) and an associated budget that describes how NEEA will pursue the Business Plan goals and objectives. The Operations Plan will specify focus areas and key activities that will be used to assess progress toward Business Plan goals and objectives.

- ii. NEEA will present the Operations Plan and associated budgets for approval by the Board of Directors annually. NEEA will deliver (i) quarterly financial reports, (ii) an annual status report to the Board of Directors, (iii) and any other reports required by the Business Plan or NEEA 2020-2024 Strategic Plan¹. A copy of the quarterly financial and annual status reports will be provided to Tacoma Power.
 - b. Value Metrics: NEEA will report Business Plan specified targets and metrics at least annually. NEEA will report estimated regional energy savings to Tacoma Power as follows:
 - i. Tacoma Power's share of the total estimated regional energy savings will be determined by Tacoma Power's direct funding share of NEEA.
 - ii. Tacoma Power's estimated energy savings associated with all market transformation efforts up to and including those of the Cycle 6 Business Plan on an annual basis by July 1st of each year, inclusive of any true-up for the prior year's reported energy savings.
 - iii. Estimated energy savings using either the (i) NEEA baseline methodology or (ii) Northwest Power and Conservation Council Power Plan methodology. Tacoma Power will select a methodology to use for its energy savings reporting and will notify NEEA in writing of its selection.
 - c. Savings Audit: Tacoma Power shall have the right, within sixty days' (60) written notice to NEEA, to have a third party evaluate energy savings (including NEEA's cost to deliver savings) at Tacoma Power's expense. NEEA agrees to provide reasonable access to information, data, facilities, or personnel necessary for such review. Tacoma will share the results of the savings audit, including underlying methodologies, with NEEA. NEEA will notify its Board of Directors of any request for a savings audit.
 - d. Financial Audit: Each year, NEEA will retain the services of an independent CPA firm to conduct and complete an annual financial audit and internal control review. The selection of the firm and audit will be overseen by members of the Board of Directors and copies made available annually to the Board of Directors and funders by August 1st.
 - e. Right to Audit Financial Records. NEEA shall maintain books and accounts of the costs relating to the Activities in accordance with generally accepted accounting principles and practices. NEEA shall retain all records relating to reported results delivered under this Agreement for a period of not less than five years. Tacoma Power may reasonably request information from these books and accounts to verify costs and other information related to the Activities provided to Tacoma Power for a period of five years. Within sixty (60) days of written request from Tacoma Power, NEEA will deliver either the original or a copy of any or all records, calculations, summaries, reports, and records produced and collected by NEEA in the course of performance of this Agreement, provided that such information is not protected by regulations or laws that restrict the disclosure of such information. Information to be disclosed under this Section shall not include: (1) personally identifiable information of NEEA participants or survey respondents; (2) proprietary information, trade secrets, or data from NEEA participants, survey respondents, or contracting party that NEEA is contractually restricted from disclosing to Tacoma Power; or (3) other funders' confidential information. NEEA may request that Tacoma pay for reasonable costs related to NEEA providing information requested under this Section 3(e). The Board of Directors must approve any reasonable costs charged to Tacoma by NEEA under this Section 3(e).
4. Confidentiality:
- a. The Parties agree not to disclose to a third party any Confidential Information received from the other Party in connection with this Agreement. "Confidential Information" of a Party means all (i) personally identifiable information (in any form or format); (ii) business plans, supplier or distributor information; or (iii) documents, software, reports, data, records, forms,

¹ The NEEA 2020-2024 Strategic Plan was adopted by the NEEA Board of Directors on December 4, 2018.

- and other materials obtained by one Party (the “Receiving Party”) from the other Party (the “Disclosing Party”) and includes any information: (a) that has been marked as confidential or some similar designation; (b) whose confidential nature has been made known by the Disclosing Party to the Receiving Party; or (c) which a reasonable person knows or reasonably should understand to be confidential.
- b. The Receiving Party will not disclose the Confidential Information to third parties for a period of three (3) years from the date of disclosure of the Confidential Information unless expressly permitted in writing by the Disclosing Party. The Receiving Party shall take reasonable steps to protect the Confidential Information. These steps must be at least as protective as the steps Receiving Party takes to protect its own confidential information. Third parties receiving Confidential Information shall be required to protect the Confidential Information on terms consistent with this Agreement.
 - c. The Parties will not be liable for the disclosure of any Confidential Information that is: (i) easily accessible, or becomes easily accessible, in the public domain through no fault of the Receiving Party; (ii) lawfully received from a third party and without any obligation of confidentiality; (iii) already known to Receiving Party without any limitation on disclosure by Disclosing Party before its receipt; or (iv) required by law, including but not limited to records that either Party is required to disclose pursuant to a valid court order or pursuant to disclosure required by the Public Records Act described in Section 5.
5. Washington State Public Records Act:
- a. Tacoma Power is subject to Washington State’s Public Records Act, RCW Chapter 42.56, and the Act defines “public record” very broadly. Any records or documents, including electronic records, relating to or arising out of this Agreement are potentially subject to disclosure under the Public Records Act.
 - b. Public Records, including this Agreement, may be required to be made available for inspection or copying if a request to do so is received by Tacoma Power.
6. Data Ownership, Data Security, and Electronic Protection:
- a. As used in this Agreement, “Protected Data” means: (i) all confidential, non-public data regarding Tacoma Power’s customers, vendors (other than NEEA), and business plans that is furnished, disclosed, or otherwise made directly available to NEEA or Subcontractors (defined below) at all tiers by or on behalf of Tacoma Power under this Agreement. Protected Data shall remain the sole property of Tacoma Power. NEEA may not use Protected Data for any purpose other than to perform its obligations under this Agreement and any subsequent funding agreements between Tacoma Power and NEEA.
 - b. Data Security: NEEA represents, warrants, and covenants to Tacoma Power that NEEA has developed and implemented, currently has in place, and shall maintain during the term of this Agreement a comprehensive information security program that includes administrative, technical, and physical safeguards and controls sufficient to: (i) ensure the security and confidentiality of Protected Data; (ii) protect against anticipated threats or hazards to the security or integrity of such information; and (iii) protect against unauthorized access to, or disclosure or use of, all Protected Data that NEEA accesses, receives, stores, processes, transmits, maintains, or possesses (collectively, “Security”). NEEA shall document its Security and all safeguards, procedures, and controls and keep them current in light of changes in relevant technology and provide Tacoma Power with a copy of the same upon request and at no cost to Tacoma Power.
 - c. Security Incident: NEEA shall promptly notify Tacoma Power if NEEA discovers or becomes aware: (i) that NEEA is not in compliance with or has violated any of the requirements of this Section 6; or (ii) of any unauthorized disclosure or use of or access to Protected Data or any unauthorized intrusion, penetration, or security breach involving NEEA

- systems that affects Tacoma Power (each of (i) and (ii) a “Security Incident”). In addition to all other remedies permitted under this Agreement and applicable law, NEEA shall be required to promptly remedy a breach in the security of NEEA’s systems that adversely impacts Tacoma Power and take all measures as may be reasonably necessary to prevent any further Security Incident. NEEA shall reasonably cooperate with Tacoma Power or governmental authorities and non-governmental entities in any action or proceeding as may be deemed necessary by Tacoma Power as the result of such Security Incident.
- d. Audit Requirement: NEEA will, on at least a biennial basis (or more often as determined by NEEA or its Board of Directors), hire a third party security auditing firm to perform a CIS Critical Security Controls audit (or an equivalent audit framework of a similar nature that is generally accepted in the industry and approved by NEEA’s Board of Directors) to assess the Security and the design and operating effectiveness of controls over NEEA’s sites, facilities, and systems, to the extent that they relate to the Activities. NEEA will report the results of an audit to the Board of Directors and will make a copy of the audit report available to Tacoma Power upon request.
 - e. Subcontractors: To the extent that NEEA is permitted to engage subcontractors to perform, or otherwise provide support to assist NEEA to perform, any of the obligations hereunder (each a “Subcontractor”), then: (i) NEEA shall not share or disclose, or engage a Subcontractor to access, store, process, transmit, or otherwise possess any Protected Data, unless and until such Subcontractor has agreed in writing to protect Protected Data in a manner substantially similar (but in any case no less restrictive) to that required of NEEA under this Agreement, and then only on a need-to-know basis; (ii) NEEA shall cause such Subcontractors to comply with the obligations and restrictions associated with substantially the same services, tasks, functions, and responsibilities performed by such Subcontractors that are applicable to NEEA under this Agreement, including, without limitation, those obligations set forth in this Section 6; and (iii) NEEA shall remain responsible for the services, tasks, functions, and responsibilities performed by Subcontractors to the same extent as if such services, tasks, functions, and responsibilities were performed directly by NEEA.
 - f. Indemnification: In addition to any other indemnification obligation of NEEA set forth in this Agreement, NEEA shall indemnify, defend, and hold Tacoma Power, Tacoma Power affiliates, and its respective officers, directors, employees, representatives, agents, successors, and assigns harmless from, for, and against any damages to the extent such damages arise out of or in connection with: (i) a Security Incident (including a Security Incident by a Subcontractor) or (ii) NEEA’s, or any Subcontractor’s, failure to comply with the requirements of this Section 6.
 - g. Injunctive Relief: NEEA acknowledges and agrees that any breach or threatened breach of the obligations set forth in this Section 6 may result in a substantial likelihood of irreparable harm and injury to Tacoma Power, for which monetary damages alone may be an inadequate remedy, and which damages may be difficult to accurately measure. Accordingly, NEEA agrees that in addition to any other remedies available, Tacoma Power shall have the right to obtain injunctive relief as well as other equitable relief allowed by the federal and state courts. The foregoing remedy of injunctive relief is agreed to without prejudice to Tacoma Power’s right to exercise any other rights and remedies it may have, including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief.
 - h. Survival: The rights and obligations set forth in this Section 6 shall survive the expiration or termination of this Agreement for any reason.

7. Special Projects:

- a. In addition to the Cycle 6 Core Funding agreed to in this Agreement, Tacoma Power may also engage NEEA to provide additional programs, activities, or services that are outside of the scope of the Business Plan (a "Special Project").
 - b. Tacoma Power and NEEA will not become obligated to each other in any way for a Special Project until a Special Project Order ("SPO") is signed by an authorized representative of both Tacoma Power and NEEA. Each executed SPO will be incorporated into this Agreement by this reference and will specify the scope of work, schedule, term, and budget specific to the Special Project. Each additional SPO will be numbered sequentially (i.e., SPO No. 1, SPO No. 2, and so on).
 - c. This Agreement sets forth the terms and conditions which govern the Cycle 6 Core Funding and each additional SPO. However, each SPO may also contain unique terms and conditions that apply to that specific SPO. In the event of any conflict between this Agreement's terms and conditions and an SPO, the terms and conditions in the SPO, as they apply to that specific Special Project, will prevail. In no event will the terms and conditions contained within an SPO alter or affect the terms and conditions within this Agreement as they apply to Cycle 6 Core Funding and the Business Plan.
8. Exceptions to Cycle 6 Core Funding Commitments:
- a. Termination for Lack of Regulatory Approval: With sixty (60) days' notice to NEEA, Tacoma Power may: (1) reduce any portion of its remaining Cycle 6 Core Funding obligation that Tacoma Power's public governing or regulatory body will not approve; or (2) terminate this Agreement if no portion of its remaining Cycle 6 Core Funding obligation will be approved by Tacoma Power's public governing or regulatory body. NEEA shall refund any portion of the Cycle 6 Core Funding obligation that has been paid by Tacoma Power under quarterly invoices that is for terminate activities to be rendered beyond the termination date.
 - b. Termination for Cause: Either Party may terminate this Agreement if the other Party materially breaches this Agreement provided that (1) the Party asserting the breach provides the breaching Party with a detailed notice of the alleged breach and reasonable conditions upon which the breach will be considered cured or mitigated, and (2) the breaching Party fails to satisfactorily cure or mitigate the breach within forty-five (45) days of receiving the notice of the alleged breach. Provided, however, the time period to cure or mitigate the breach may be extended by an additional forty-five (45) days upon the breaching Party's written certification to the non-breaching Party that (i) such breach is reasonably capable of being cured or mitigated within an additional forty-five (45) days, and (ii) it has commenced and is diligently pursuing efforts to cure or mitigate such breach. If, upon expiration of the cure periods, the breach is not reasonably cured or mitigated, then the non-breaching Party may terminate this Agreement immediately upon providing written notice to the breaching Party.
 - c. Termination for Change in Bylaws: With sixty (60) days' written notice to NEEA, Tacoma Power may terminate this Agreement within ninety (90) days of a material change to the Bylaws of NEEA of which Tacoma Power does not approve.
 - d. Termination for Convenience: Tacoma Power may elect to terminate or suspend this Agreement, in whole or in part, at any time without cause and without penalty, with three hundred sixty-five (365) days' written notice to NEEA.
 - e. Termination for Lack of Sufficiency: If the Board of Directors determines at any time that NEEA has made insufficient progress in achieving objectives set forth in the Business Plan, or that NEEA does not have sufficient funds to operate or to meet all objectives, Tacoma Power may choose to terminate or reduce its Cycle 6 Core Funding obligations. If the Board of Directors votes to completely cease NEEA operations, Tacoma Power shall pay its pro-rata share of the wind-down costs as determined by the Board of Directors.

- f. Effect of Termination: Upon termination or expiration of this Agreement, all obligations of the Parties (other than those obligations that expressly or by nature survive termination) shall terminate.
9. Insurance:
- a. NEEA shall maintain (and shall cause each of its agents, independent contractors, and subcontractors performing services hereunder to maintain) at all times at its sole cost and expense at least the following insurances covering its obligations under this Agreement.
 - i. Workers' Compensation Insurance required by law, at statutory limits, and Employer's Liability Insurance with a limit of not less than One Million Dollars (\$1,000,000).
 - ii. Business Automobile Liability Insurance covering all automobiles, with a combined single limit of at least \$1,000,000.
 - iii. Commercial General Liability Insurance including (i) bodily injury, (ii) property damage, (iii) contractual liability coverage covering its obligations of indemnity and defense, and (iv) personal and advertising injury with a combined single limit of not less than One Million Dollars (\$1,000,000).
 - b. All insurance policies required to be issued under this Section 9 shall be issued on a U.S. policy by one or more insurance carriers licensed to do business in the state where services are rendered. Upon execution of this Agreement, NEEA shall provide evidence of insurance indicating all coverage required hereunder.
10. Indemnification and Limitation of Liability:
- a. Each Party shall indemnify, defend and hold harmless the other Party, its directors, officers, employees, affiliates, and agents (the "Indemnitees") from any and all third party allegations, claims, liens, demands, suits, losses, liabilities, costs, judgements, and damages of every kind and description, including court costs and reasonable attorney fees, resulting from or arising out of the performance or nonperformance of the indemnifying Party's obligations under this Agreement, including (a) loss of or damage to any property of a Party or any third party; (b) bodily or personal injury to, or death of any person(s); (c) breach of this Agreement by the indemnifying Party, and (d) infringement or misappropriation of any intellectual property right of any third party by the indemnifying Party.
 - b. NEITHER PARTY SHALL BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, LOSS OF ANTICIPATED REVENUE, PROFITS, PROPERTY OR USE OF PROPERTY, OR GOODWILL, WHETHER ARISING IN NEGLIGENCE, STRICT LIABILITY, TORT, BREACH OF CONTRACT, OR UNDER STATUTE OR RULE.
11. Disputes: The use of mediation is encouraged and may be used as negotiated between the Parties. All claims arising out of this Agreement and all disputes not settled by the Parties shall be settled by binding arbitration in accordance with then-effective rules of the Arbitration Service of Portland, Inc. and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. If an arbitration hearing is required, such hearing shall be held in Portland, Oregon. Any dispute or claim for which a Party seeks injunctive relief, even if contrary to the language of this Section, may be brought in the state and federal courts in Multnomah County, Oregon. This Agreement shall be governed by the laws of the State of Oregon.
12. Notices: Any notice under this Agreement shall be in writing and will be effective: (i) when delivered by email, upon confirmation of receipt by recipient or automatic email tracking (such as "read receipt"); (ii) when delivered by U.S. mail, on the day following delivery by certified or

registered U.S. mail; (iii) when personally delivered; or (iv) when delivered by a reputable overnight courier. Notices must be delivered to the representative and email address or physical address listed at the end of this Agreement or email or address as a party may designate by like notice from time to time.

13. Miscellaneous:

- a. Nothing in this Agreement shall limit NEEA's ability to solicit funds from third party sources.
- b. This Agreement, including the Background and any exhibits, schedules, or attachments (all of which are incorporated into this Agreement by this reference), contains the entire understanding of the Parties regarding the subject matter hereof and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the Parties with respect to the subject matter of this Agreement. The provisions of this Agreement may not be amended, except by an agreement in writing signed by Tacoma Power and NEEA.
- c. In the event of any conflict between (i) this Agreement and (ii) the Articles of Incorporation or Bylaws of NEEA, the provisions of this Agreement shall prevail as between Tacoma Power and NEEA.
- d. The provisions of this Agreement are intended to be for the exclusive benefit of Tacoma Power and NEEA, and nothing in this Agreement shall be interpreted or construed as conferring upon any third party any right or claim against Tacoma Power or NEEA or entitling any third party to enforce any of the terms of this Agreement on Tacoma Power, NEEA or otherwise. This Agreement shall not be interpreted or construed to create or evidence a partnership between Tacoma Power and NEEA, as imposing any partnership obligation or liability on Tacoma Power or NEEA, or as creating a franchise between Tacoma Power and NEEA.
- e. The Parties agree that the remedy at law for any breach or threatened breach by a Party may, by its nature, be inadequate, and that in addition to damages, the other Party(ies) will be entitled to a restraining order, temporary and permanent injunctive relief, specific performance, and other appropriate equitable relief, without showing or proving that any monetary damage has been sustained.
- f. Neither NEEA nor Tacoma Power will be deemed liable or to be in default for any delay or failure in performance under this Agreement or other interruption deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes or other work interruptions by its employees, or any other similar cause beyond its reasonable control and not reasonably anticipated by either Party unless such delay or failure in performance is expressly addressed elsewhere in this Agreement. A Party shall, as soon as practicable, notify the other Party in writing of the occurrence of any such event as described in this paragraph that will or may adversely affect the performance of the Party's obligations under this Agreement.
- g. NEEA agrees to take all steps necessary to comply with all federal, state, laws, and policies regarding non-discrimination and equal employment opportunities. NEEA shall not discriminate in any employment action because of race, religion, creed, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, veteran or military status, the presence of any sensory, mental or physical disability or the use of a trained dog guide or service animal by a disabled person.
- h. No officer, employee or agent of the Tacoma Power, nor any member of the immediate family of any such officer, employee or agent as defined by City of Tacoma ordinance, shall have any personal financial interest, direct or indirect, in this Agreement, either in fact or in appearance.

- i. This Agreement may be executed in counterparts (including by means of electronic signature, facsimile, or .pdf), each of which shall be deemed an original but all of which together shall constitute one and the same agreement, binding on the Parties even though all the Parties are not signatories to the same counterpart.

(Remainder of this page intentionally left blank)

CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, LIGHT DIVISION,
(dba) TACOMA POWER

NORTHWEST ENERGY EFFICIENCY
ALLIANCE, INC.

Date: _____

Date: _____

By: _____

By: _____
Susan E. Stratton
Executive Director

Printed Name: _____

Title: _____

Name and Address for Notices to:

Attention: _____

Address: _____

Name and Address for Notices to:

Email for Notice: legal@neea.org

Address for Notice:
Northwest Energy Efficiency Alliance, Inc.
Attention: Legal Notice
421 SW 6th Ave., Suite 600
Portland, OR 97204

Exhibit A

**Cycle 6 Core Funding Schedule
Northwest Energy Efficiency Alliance Funding Agreement**

Part A – Cycle 6 Core Funding Commitment by Funder

Direct Funders	2020-2024 Gas Funding Shares	2020-2024 Gas Funding Amount	2020-2024 Electric Funding Share	2020-2024 Electric Funding Amount	2020-2024 Total Funding Amount
Avista Corp.	12.04%	\$2,278,265	5.65%	\$9,003,029	\$11,281,294
Bonneville Power Administration			36.96%	\$58,888,709	\$58,888,709
Cascade Natural Gas (WA)	9.22%	\$1,744,542			\$1,744,542
Chelan PUD			0.99%	\$1,583,638	\$1,583,638
Clark Public Utilities			1.25%	\$1,996,715	\$1,996,715
Energy Trust of Oregon	33.63%	\$6,365,764	20.17%	\$32,145,414	\$38,511,178
Idaho Power Company			9.23%	\$14,710,808	\$14,710,808
Northwest Natural Gas (WA)	3.11%	\$588,239			\$588,239
NorthWestern Energy			4.09%	\$6,517,752	\$6,517,752
PacifiCorp			2.55%	\$4,068,060	\$4,068,060
Puget Sound Energy, Inc.	42.01%	\$7,951,190	13.99%	\$22,286,022	\$30,237,212
Seattle City Light			3.50%	\$5,584,501	\$5,584,501
Snohomish County PUD			0.66%	\$1,057,387	\$1,057,387
Tacoma Power			0.95%	\$1,507,965	\$1,507,965
TOTAL	100%	\$18,928,000	100%	\$159,350,000	\$178,278,000

Tacoma Power's funding commitment, in US dollars, will not be affected by changes to other funders' commitments. In the event that NEEA's total funding commitment is adjusted, Tacoma Power's approved funding share will be calculated and adjusted accordingly. NEEA will notify Tacoma Power of any change in its funding share within thirty (30) days of a change to NEEA's total funding commitment. Tacoma

Power may request reimbursement for self-delivered Downstream Marketing² activities in accordance with the “Guiding Principles for Downstream Market Execution Activities” contained in Appendix 9 to the Business Plan.

Part B - Invoice and Payment Schedule

1. Fixed-Flat Invoice. NEEA shall invoice Tacoma Power 25% of its average annual contribution on December 1, 2019, which is due and payable within thirty (30) days of receipt. Quarterly invoices equivalent to 25% of the average annual contribution will continue through the Agreement period, with an invoice date of thirty (30) days prior to the quarter and with a due date of the 1st day of each quarter.
2. True-Up of Funds through 2025. If NEEA has not expended the entire Cycle 6 Core Funding amount at the end of the funding cycle, billings will be reduced or funds will be credited to a future funding agreement.

Part C - Contact Information

Invoices should be sent to:

Name: _____

Title: _____

Organization: _____

Address: _____

Phone: _____

Email: _____

² Downstream Marketing is defined in the “Key Terms for NEEA Strategic and Business Planning” document attached to the Business Plan.



RESOLUTION NO. U-11133

1 A RESOLUTION adopting Public Utility Board Governance Process ("GP")
2 Policies.

3 WHEREAS in response to changes in the utility industry, and to ensure
4 that Tacoma Public Utilities (TPU) continues to meet the Tacoma Public Utility
5 Board's goals of delivering affordable, reliable, and environmentally sensitive
6 services, the Board is developing policies concerning Government Processes,
7 Board-Director Linkage, and Strategic Directives, and
8

9 WHEREAS the eleven (11) Government Process ("GP") policies are
10 principles for how the Board will govern itself:

11 GP1) TPU Board Purpose, Authority, Duties, and Expectations;

12 GP2) Meetings;

13 GP3) Election of Officers;

14 GP4) Duties of Officers;

15 GP5) Designation and Duties of the Clerk of the Board;

16 GP6) Conduct of Members During Meetings;

17 GP7) Conduct of Public;

18 GP8) Order of Business;

19 GP9) Motions and Precedence;

20 GP10) Resolutions and Motions; and

21 GP11) Miscellaneous.
22
23
24
25
26



1 WHEREAS these policies were developed at regularly-scheduled Board
2 study sessions and/or properly-noticed public meetings and all future Board
3 reviews and amendments will be handled similarly, and
4

5 WHEREAS the Board has committed to monitor and ensure compliance
6 with Board policies. This oversight provides an opportunity for the Board and
7 staff to clarify, revise and develop new policies when necessary as TPU
8 navigates changes in the utility industry, and
9

10 WHEREAS the Board and Director have determined that adopting the
11 Governance Process Policies are in the best interests of Tacoma Public Utilities
12 and the ratepayers; Now, Therefore,

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

14 That the eleven (11) Public Utility Board Governance Process (GP)
15 Policies, in the form as on file with the Clerk, are adopted and approved.
16

17 Approved as to form:

Chair

18 
19 Chief Deputy City Attorney

Secretary

20
21 Clerk

Adopted



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
FROM: Tom Morrill, Chief Deputy City Attorney
Charleen Jacobs, Executive Assistant and Clerk of the Board
MEETING DATE: January 8, 2020 (first consideration) and January 22, 2020 (second consideration)
DATE: December 17, 2019

SUMMARY: A resolution adopting Public Utility Board Governance Process (GP) Policies

BACKGROUND: The Tacoma Public Utility Board recently launched a process to develop policies concerning Government Processes, Board-Director Linkage, and Strategic Directives.

This resolution adopts Government Process policies. The GPs are principles for how the Board will govern itself. There are eleven (11) policies that cover: GP1) TPU Board Purpose, Authority, Duties, and Expectations; GP2) Meetings; GP3) Election of Officers; GP4) Duties of Officers; GP5) Designation and Duties of the Clerk of the Board; GP6) Conduct of Members During Meetings; GP7) Conduct of Public; GP8) Order of Business; GP9) Motions and Precedence; GP10) Resolutions and Motions; and GP11) Miscellaneous.

These policies were developed at regularly scheduled Board study sessions and all future reviews and amendments to the Public Utility Board policies will be in handled similarly.

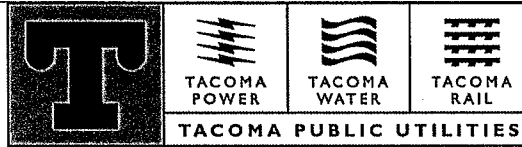
The Public Utility Board has committed to monitor and ensure compliance with Board policies. This oversight provides an opportunity for the Board and staff to clarify, revise and develop new policy when necessary as TPU navigates changes in the utility industry.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? N/A

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? N/A

ATTACHMENTS: GPs 1 - 11

CONTACT: Jackie Flowers, Director of Utilities



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

Resolution No.: **U-11133**

Revision Date:

Title: **TPU BOARD PURPOSE, AUTHORITY, DUTIES, AND EXPECTATIONS**

Policy Number: **GP-1**

Appointed by the Mayor and the City Council of Tacoma, the Board has the following purpose, authorities, and duties, as set forth in Section 4.9 through 4.18 in the Tacoma City Charter.

As provided in Section 4.9, it is recognized that Board Members serve as volunteers without any compensation except for reimbursement of expenses as provided in the Tacoma City Charter.

Section 4.10 – The Public Utility Board, subject only to the limitations imposed by this charter and the laws of this state, shall have full power to construct, condemn and purchase, acquire, add to, maintain, and operate the electric, water, and belt line railway utility systems.

Section 4.11 – All matters relating to system expansion and the making of additions and betterments thereto or extensions thereof, the incurring of indebtedness, the issuance of bonds, and the fixing of rates and charges for utility services under the jurisdiction of the Board shall be initiated by the Board, subject to approval by the Council, and executed by the Board; provided, that all rates and charges for utility services shall be reviewed and revised or reenacted by the Board and Council at intervals not exceeding five years and beginning with the year 1954.

Section 4.12 – The Board shall submit an annual budget to the Council for approval, in the manner prescribed by state law.

Section 4.13 – The Board shall select from its own membership a chair, vice-chair, and secretary and shall determine its own rules and order of business. The time and place of all meetings shall be publicly announced, and all meetings shall be open to the public and a permanent record of proceedings maintained.

Section 4.14 – The Board shall maintain such billing, cost and general accounting records as maybe necessary for effective utility management or required by state law. Expenditure documents shall be subject to pre-audit by the central fiscal agency of City government. The City Treasurer shall be responsible for receipt, custody, and

disbursement of all utility funds. The Board shall submit such financial and other reports as may be required by the Council.

Section 4.15 – The Board shall have authority to secure the services of consulting engineers, accountants, special counsel, and other experts. At intervals not exceeding ten years the Council shall, at the expense of the utilities involved, cause a general management survey to be made of all utilities under the jurisdiction of the board by a competent management consulting or industrial engineering firm, the report and recommendations of which shall be made public; provided, that the first such survey shall be made within three years of the effective date of this charter.

Section 4.16 – Insofar as is permitted by state law, the Board shall have the same authority, and be governed by the same limitations, in respect to the purchase of materials, supplies, and equipment and awarding of contracts for all improvements for Department of Public Utilities' purposes as does the Council and City Manager for general government purposes.

Section 4.17 – The Department of Public Utilities shall use the services of the City's General Government finance department, purchasing agent, law department, human resources/personnel department, and other City departments, offices, and agencies, except as otherwise directed by the City Council.

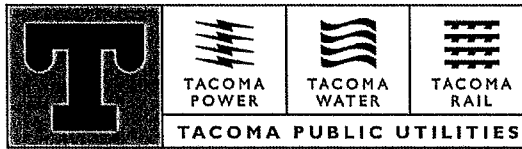
Section 4.18 of the Tacoma City Charter provides that the Board shall appoint, subject to confirmation by the City Council, a Director of Utilities and shall review the Director's performance annually, and every two years shall, by an affirmative vote of at least three members of the Board in a public meeting, vote on whether to reconfirm the appointment, subject to reconfirmation by the City Council.

Duties and Expectations of Board Members include:

1. Regular attendance at scheduled study sessions and Board meetings.
2. Oversee development of and vote on policies, rates, budgets, and debt issues presented to the Board for consideration.
3. Vote on contracts and purchases as required by TMC 1.06.
4. Seeking to understand the viewpoints and values of citizens and customers, and other interested stakeholders. Serving as ambassadors for TPU and building relationships throughout TPU's service territory.
5. Consulting regularly with the City Council members to seek their input and keep them informed about TPU.
6. Developing and adopting high-level Strategic Directive policies that define the results the Board wants TPU to achieve and related performance measures. Monitoring the Strategic Directives regularly, on the timetable specified in each policy, and communicating to the Director of Utilities whether the Board finds TPU to be in

compliance. For the purpose of this policy, compliance is defined as substantially meeting the requirements of the Strategic Directive

7. Producing, maintaining, and monitoring other written policies that ensure high quality of governance and clear roles in decision-making between Board and staff.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Title: **Meetings**

Date of Adoption: **January 22, 2020**

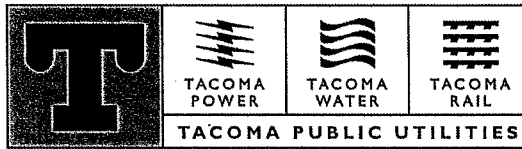
Policy Number: **GP-2**

Resolution No.: **U-11133**

Revision Date:

1. The regular meetings of the Board shall be held at 6:30 p.m. on the 2nd and 4th Wednesdays of each month, except when such a meeting date falls on a legal holiday or on the day preceding a legal holiday, in which case the meeting shall be held at a date and time as publicly announced by the Board Chair at the meeting prior to such conflict. There will only be one Board meeting in November and December which will be scheduled and noticed by the Clerk of the Board. All Board regular meetings shall be preceded by a Study Session commencing at 3:00 p.m. on the same day as the regular Board Meeting commences.
2. The time of any regular meeting may be changed by the Board by appropriate motion adopted at the meeting preceding such meeting so changed. In the event unforeseen conditions make a future regular meeting date not feasible because of an anticipated lack of quorum, or in order to better accommodate the public interest, such regular meeting may be rescheduled by the Chair of the Board or the Director of Utilities for either the next regular meeting time and date or for such special meeting time and date as is otherwise authorized by these rules.
3. The Board by majority vote may recess a meeting to a time specified in the motion therefore.
4. All meetings shall be held in the Department of Public Utilities' Administration Building, City of Tacoma, unless another place is specified by public announcement appropriately given.
5. Three members of the Board shall constitute a quorum for the transaction of business. In the absence of a quorum, the members present may adjourn the meeting to a later date.
6. An affirmative vote of not less than three members shall be necessary for the adoption of any main motion or resolution by the Board.

7. Special meetings of the Board shall be called by the Clerk of the Board, at the request of the Chair or any three Board Members, or by the Director of Utilities, by notice in writing of not less than 24 hours to each Board Member and to the local news media as required by RCW 42.30.080 (or as may be amended). Such notice shall state the subject of subjects to be considered, and no other subject shall be considered at such meeting. Notices for special meetings will be posted at least 24 hours in advance.
8. Remote Participation:
 - a. Board Members may attend regular meetings, special meetings, and study sessions remotely. This type of participation is enabled by use of one or more technology tools depending on the location of the meeting.
 - b. Two Board Members per meeting may attend remotely.
 - c. Board Members may attend remotely each type of meeting once per calendar quarter; provided, that this limitation shall not apply when a Board Member is absent for medical reasons.
 - d. Notice of remote attendance should be provided to the Board Clerk no less than twenty-four hours before the scheduled start time for the meeting. The Board Clerk or designee shall immediately advise the presiding officer of the proposed remote participation. If more than two Board Members wish to attend a meeting remotely, the first two Board Members to notify the Board Clerk shall be the ones permitted to attend remotely.
 - e. At any meeting where a Board Member is attending remotely, the Board Clerk or designee will coordinate with the appropriate technical staff to perform setup and testing of the technological tools to be used as necessary. The tool(s) used for this purpose must allow the voice of the Board Member participating remotely to be heard by everyone present in the meeting room, and must allow the Board Member to hear anyone speaking in the meeting room.
9. The Board will endeavor to hold a retreat annually.
10. Staff will strive to have Board agendas and meeting materials posted online for the public the Friday before the regular Board meetings held on the second and fourth Wednesdays of the month.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Title: **Election of Officers**

Date of Adoption: **January 22, 2020**

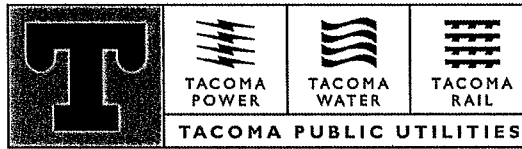
Policy Number: **GP-3**

Resolution No.: **U-11133**

Revision Date:

ELECTION OF OFFICERS

1. The Chair, Vice-Chair, and Secretary of the Board shall be elected at the first regular meeting of July of each year to serve until the next annual election.
2. Whenever practicable the officers of the Board shall be selected according to the seniority of the members in their current appointments. The Chair should normally be the member who is in the fifth year of his/her current term, the Vice-Chair should be the member who is in the fourth year of his/her term or who has the second longest period of service on the Board, and the Secretary should be the member who is in the third year of his/her term or who has the third longest period of service on the Board. In the event of death or resignation of an officer, the other members should fill the vacancy according their length of service, and hold those offices so that the schedule set out above can be achieved.



PUBLIC UTILITY BOARD POLICY

<p>Category: Governance Process</p> <p>Date of Adoption: January 22, 2020</p> <p>Resolution No.: U-11133</p> <p>Revision Date:</p>	<p>Title: Duties of Officers</p> <p>Policy Number: GP-4</p>
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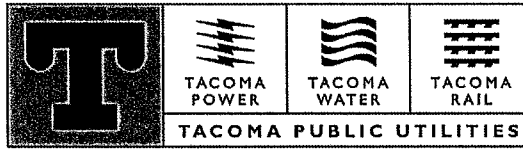
1. The presiding officer shall be the Chair, or in his/her absence the Vice-Chair, who shall conduct the business and deliberations of the Board under these rules. If both the Chair and Vice-Chair are absent and a quorum is present, the Secretary shall serve as presiding officer of the Board until the return of the Chair or Vice-Chair.

2. The presiding officer shall:
 - a. Preserve order and decorum in the meeting.
 - b. Decide all questions of order, subject to an appeal to the Board by another Board Member.
 - c. Recognize the members of the Board in the order in which they request recognition, and no member shall be recognized and permitted to speak on the same matter more than once until all other members of the Board have had an opportunity to be recognized and heard.
 - d. Observe and enforce all rules adopted by the Board.
 - e. Sign all resolutions adopted by the Board.

3. The presiding officer, as a member of the Board, shall have the same rights and be governed by the same rules as other Board Members.

3. The Secretary of the Board shall:
 - a. Work with the Clerk of the Board
 - b. Cause the proceedings of the Board's meetings to be entered in a permanent journal of its proceedings.
 - c. Certify the minutes of the Board's meetings and submit the same for approval to the Board prior to its next regular meeting.
 - d. Sign all resolutions adopted by the Board.

- e. Upon proper request certify copies of resolutions and other records of the Board and the Department, or delegate certification of such copies to the Clerk of the Board.
- 4. In the absence of the regular Secretary, the presiding officer may designate one of the other Board Members present as Acting Secretary for the purpose of any meeting.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

Resolution No.: **U-11133**

Revision Date:

Title: Designation and **Duties of the Clerk of the Board**

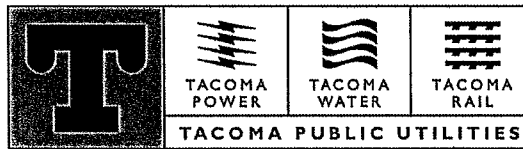
Policy Number: **GP-5**

DESIGNATION AND DUTIES OF THE CLERK OF THE BOARD¹

The Clerk of the Board shall be appointed by the Director of Utilities and work with the Board Chair and Secretary. Subject to the provisions of the Charter, State law, ordinances, and resolutions of the Board, the Clerk shall:

1. Be responsible for the publication, filing, indexing, and safekeeping of the records of all proceedings of the Board;
2. Record all resolutions and certified resolutions of the Board;
3. Prepare all legal notices involving the Department as provided by law or ordinance;
4. At the request of any Board Member, forthwith transmit any communication, material, or information to the other Board Members;
5. File and preserve all oaths of office and other documents not required to be filed elsewhere;
6. Perform other such duties as may be prescribed by the Charter, State law, ordinances, and the Board and keep a permanent journal of its proceedings provided.

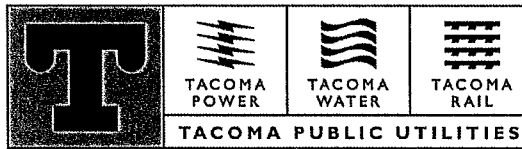
¹ TMC 1.06.660



PUBLIC UTILITY BOARD POLICY

<p>Category: Governance Process</p> <p>Date of Adoption: January 22, 2020</p> <p>Resolution No.: U-11133</p> <p>Revision Date:</p>	<p>Title: Conduct of Members During Meetings</p> <p>Policy Number: GP-6</p> <p>Report</p>
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1. Board Members desiring to speak shall first address and obtain recognition from the presiding officer.
2. No member shall carry on a private conversation during the deliberations of the Board, or leave his/her place while a question is being put.
3. No member, including the presiding officer, shall interrupt or argue with any other member while such member has the floor, except to call him/her to order.
4. No member in the discussion or debate of a matter or issue shall engage in or discuss or comment on the personalities of any other member or person, but shall confine his/her remarks to those facts which are germane and relevant to the question or matter under discussion.
5. If a member shall transgress these rules, the presiding officer shall, and any other member may, call him/her to order, in which case he/she shall be silent except to explain or continue in order.
6. The Board empowers the Director of Utilities, Chief Deputy City Attorney, and Clerk of the Board to enter Points of Order to support the presiding officer in ensuring compliance with the Board Rules of Order and parliamentary procedures.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

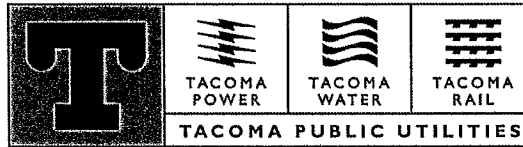
Resolution No.: **U-11133**

Revision Date:

Title: **Conduct of Public**

Policy Number: **GP-7**

1. Tacoma Public Utilities (TPU) is committed to proactive engagement and open dialogue with customers and other stakeholders to understand their needs and improve service that informs decision-making while enhancing community understanding of TPU's operations, programs, and services.
2. Members of the public will have the opportunity to speak at each regular evening meeting of the Public Utility Board on items that are not on the agenda provided the comments are limited to subjects under the jurisdiction of the Board.
3. Members of the public will also have the opportunity at each regular evening meeting to make comments on agenda items being considered by the Board.
4. No member of the public shall engage in or discuss or comment on personalities or indulge in derogatory remarks, gestures, or insinuations with respect to any member of the Public Utility Board or any member of the staff, but at all times confine the remarks to the matters which are germane and relevant to the questions or matters under discussion.
5. Any members of the public who disrupts, or interferes with the orderly conduct of business by the Board or engages in threatening conduct by words, gestures, or actions may be excluded from the meeting room of the Board.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Title: **Order of Business**

Date of Adoption: **January 22, 2020**

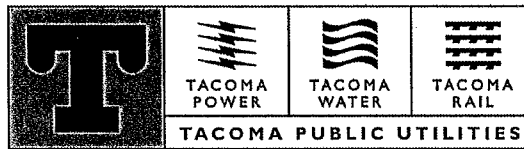
Policy Number: **GP-8**

Resolution No.: **U-11133**

Revision Date:

1. The regular order of business shall be as follows:
 - a. Call to order.
 - b. Roll call
 - c. Approval of minutes of previous meeting.
 - d. Recognition and Awards.
 - e. Comments by the Public.
 - f. Consideration of resolutions and motions on Consent Agenda and adoption thereof.
 - g. Consideration of resolutions and motions and votes thereon.
At the discretion of the Chair, general guidelines for the process shall be:
 - Motion
 - Staff Presentation
 - Board Questions
 - Public Comment
 - Board comments and follow-up questions
 - Votes
 - h. Unfinished business.
 - i. New business.
 - j. Communications.
 - k. Reports of the Director
 1. Summary of day's study session presentations
 2. Staff reports and updates at the request of the Board or discretion of the Director
 - l. Comments by Members of the Board.
 - m. Adjournment.

2. The Clerk shall prepare the business of each session in regular order, which order shall not be departed from except upon approval of a majority of the Board.
3. The Clerk shall include any proposed resolution or item on the agenda at the request of any member of the Board or the Director of Utilities.
4. In the event that there is no known business to consider or discuss for any business agenda item, the Clerk of the Board is authorized to delete said agenda item so that said agenda item will not appear on the published agenda for that session.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

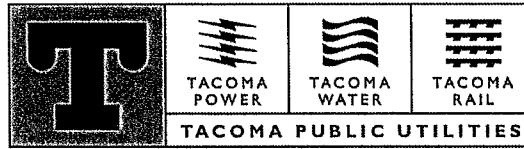
Resolution No.: **U-11133**

Revision Date:

Title: **Motions and Precedence**

Policy Number: **GP-9**

1. When a question is under consideration, no motion shall be entertained except as follows, such motions have precedence in the following order:
 - a. To adjourn.
 - b. Recess.
 - c. The Previous Question (The "previous question" shall be as follows: "Shall the main question be put?" The "main question" shall be on the passage of a resolution or motion, but when amendments are pending, the question shall be taken first, upon such amendments in their order.
 - d. To Lay on the Table.
Each of the forgoing motions shall be decided without debate.
 - e. To Postpone to a Certain Time.
 - f. To Postpone Indefinitely.
 - g. Refer to Committee.
 - h. To Amend.
 - i. To Substitute.
2. The several motions to postpone shall preclude debate of the main question until decided.
3. No motion to reconsider a vote shall be in order unless it be made at the same or the following meeting and by a member who voted with the prevailing side. Provided, however, when a matter fails to pass due to a tie vote, (not counting an abstaining vote), any member may move to reconsider, at the same of the following meeting. A motion to reconsider having been put and lost shall not be renewed either by the mover or by any other member of the Board.
4. No rule shall be suspended except by three affirmative votes of Board Members. A motion to suspend a rule shall not be debatable.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

Resolution No.: **U-11133**

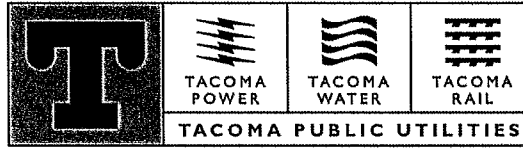
Revision Date:

Title: **Resolutions and Motions**

Policy Number: **GP-10**

1. Proposed resolutions and motions shall be included on the agenda and presented to the Board at the request of any member or the Director of Utilities.
2. No resolution and/or motion shall be considered for adoption by the Board unless its adoption or passage shall have been first moved by a Board Member and seconded by another.
3. Motions and/or resolutions that are routine and will probably not involve Board Member questions may be placed on the Consent Agenda by the Clerk of the Board. Any Member of the Board or the Chairman may remove any motion or resolution from the Consent Agenda, and said matter may be considered separately after action is concluded on the Consent Agenda.
4. No resolution shall be considered for final passage until approved as to form and reviewed for legal correctness by the City Attorney or his/her representative.
5. Reading of resolutions and motions shall be deemed sufficient if a brief synopsis of purport is made by the Clerk, and the reading of full of the same shall not be required unless the reading of any particular resolution or motion or part thereof be requested by any Member of the Board.
6. A Board Member may move to amend any pending main motion or resolution. The motion to amend is made after the main motion is pending and the motion to amend should precisely state the amendment and where the amendment is to be inserted and/or take the place of wording in the pending motion or resolution. When practicable, a copy of the proposed amendment should be provided to all Board Members and staff in advance of the scheduled meeting.

7. A motion or resolution or substitute motion or substitute resolution that is not on the published meeting agenda, may be considered by the Board after first suspending the Rules of Order of Business so to allow consideration of said matter. After suspension of the Rules, the Chair requests the Clerk to read a brief synopsis of said motion/resolution and thereafter announces that "Resolution No. U ____, Motion __ - __, or Substitute Resolution No. U ____, Substitute Motion __ - __ is now on the agenda, is there a motion to adopt said matter." After an appropriate motion and second are made, discussion may take place, and the Board may fully consider the adoption of said new motion or resolution under the process normally used for motions and resolutions.



PUBLIC UTILITY BOARD POLICY

Category: **Governance Process**

Date of Adoption: **January 22, 2020**

Resolution No.: **U-11133**

Revision Date:

Title: **Miscellaneous**

Policy Number: **GP-11**

1. Amendments to these rules shall be by resolution, introduced to the Board at a regular meeting and laid over until the next regular meeting, then enacted only by an affirmative vote of at least three members.
2. On all questions of practice or procedure not provided for by these rules, the practice or procedure set forth in the most current edition of Robert's Rules of Order Newly Revised shall be used for guidance.