



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: TPU BOARD PURPOSE, AUTHORITY, DUTIES, AND EXPECTATIONS</p> <p>Policy Number: GP-1</p>
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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.