



Approved 4-27-22

MINUTES
City of Tacoma
Public Utility Board Meeting
April 13, 2022
6:30 p.m.

Chair Patterson called the Public Utility Board meeting to order at 6:30 p.m.

Present: Chrissy Cooley, John O’Loughlin, Mark Patterson, Holland Cohen

Excused: Carlos Watson

The meeting was quorate.

Minutes of the Previous Meetings

Ms. Cooley moved that the minutes of the previous meetings be adopted; seconded by Ms. Cohen. Voice vote was taken and carried. The minutes were declared adopted.

Comments by the Public

There were no comments by the public.

Recognitions

Jodi Collins, Water Division Manager, reported that Tacoma Water’s bond rating increased from AA to AA+, which is in the top 17 percent of water agencies by Standard and Poors (S&P). Ms. Collins introduced Tacoma Water’s financial stewardship team and Board Members made positive remarks about this achievement.

Mike Snider, Arborist, reported that the recognition is fitting as this is actually Arbor Day. Tacoma Power was recognized as the 2022 Tree Line USA Utility for the 18th year in a row. This award recognizes public and private utilities for protection of America’s urban forests while maintaining safe and reliable electricity. Board Members made positive remarks about this achievement.

Joe Wilson, T&D Manager, reported that April 18 is Line Workers’ Appreciation Day. Mr. Wilson made positive remarks about how Power’s high voltage workers maintain, restore, and construct infrastructure under very hazardous conditions. A line worker and eight apprentices were in attendance to receive the recognition. Board Members made comments of appreciation for the work being done.

Regular Agenda

D-1 Resolution U-11311– Award contracts and approve purchases:

1. Increase and authorize five-year extension to contract with Camis, USA, Inc., for reservation services for Tacoma Power’s campgrounds (\$875,000, sales tax not

applicable. Cumulative total \$1,375,000, sales tax not applicable) [Matt Bleich, Asst. Power Section Mgr].

Ms. Cooley moved to adopt the resolution; seconded by Ms. Cohen.

Voice vote was taken and carried. The resolution was adopted.

D-2 Resolution U-11312 – Authorize execution of a letter of agreement with the City of Tacoma, Washington, City and Pierce County Employees Local 120 of the Washington State Council of County and City Employees, AFSCME, effective retroactive from January 1, 2022.

Ms. Cooley moved to adopt the resolution; seconded by Ms. Cohen.

Dylan Carlson, Sr. Labor Relations Manager, summarized the resolution. The agreement provides for a change in the across-the-board general wage increases scheduled for the bargaining unit in 2022, and the collective bargaining agreement, adopted by Council Resolution No. 40717, on December 15, 2020, provides “me too” language indicating that in the event certain City bargaining units receive a same-year across-the-board general wage increase to all classifications in excess of the general wage increase provided to classification covered by this agreement, then the classifications covered by this agreement will receive an equivalent across-the-board general wage increase. The City has triggered the “me too” provision and has provided a same-year across-the-board general wage increase retroactive to January 1, 2022, to one or more qualifying bargaining units, and per the “me too” provision of the agreement, the City shall provide a 2.25 percent general wage increase retroactive to January 1, 2022, to all classifications of the Union. The foregoing general wage increase shall take into account the 1 percent increase already provided to bargaining unit members on January 1, 2022, and shall cancel the 1 percent wage increase slated to be effective July 1, 2022.

Voice vote was taken and carried. The resolution was adopted.

D-3 Resolution U-11313 – Authorize execution of a letter of agreement with the International Brotherhood of Electrical Workers, Local 483, Customer and Field Services Unit, related to updates to reflect changes to the organizational structure.

Ms. Cooley moved to adopt the resolution; seconded by Ms. Cohen.

Dylan Carlson, Sr. Labor Relations Manager, summarized the resolution. The agreement provides for compensation and classification updates to reflect changes to the organizational structure with the following provisions: 1) Updates and a title change for Utilities Field Investigator (CSC 0602) to Advanced Meter Field Investigator. The classification will also receive a wage adjustment of approximately 5 percent and the salary range will increase from 1 step to 3 steps, retroactive to January 1, 2022; 2) Creation of a new classified title of Advanced Meter Field Investigator, Lead (CSC 0603). The classification will be classified, hourly, overtime category A, and represented by the IBEW Local 483 Customer and Field Services bargaining unit. The salary range will include 4 steps, set approximately 15 percent over the salary range for Advanced Meter Field Investigator; 3) Plans for the transition of permanent employees in the Meter

Reader (CSC 0601) classification that are listed in the Agreement to the Advanced Meter Field Investigator (CSC 0602) classification; and 4) Elimination of applications of rate for Meter Reader (CSC 0601) and Utilities Investigator (CSC 0602) employees when assigned as Lead.

Voice vote was taken and carried. The resolution was adopted.

D-4 Resolution U-11314 – Authorize a temporary, two-year waiver of certain disconnection and reconnection fees listed in TMC 12.01 if the fees are assessed in the next two years due to non-payment of charges incurred before March 31, 2022 and if the customer establishes or reestablishes an extended payment plan related to such non-payment.

Ms. Cooley moved to adopt the resolution; seconded by Ms. Cohen.

John Hoffman, Assistant Customer Services Manager, summarized the resolution. Mayor Woodards established Emergency Rule No. 2 effective March 17, 2020, that postponed utility shutoffs for nonpayment and was later amended September 28, 2021, to ensure late fees are not charged on balances incurred by utility customers during the period of the emergency. Emergency Rule No. 2 was rescinded as of March 31, 2022, and customers with delinquent balances as of March 19, 2022, were automatically placed on 24-month extended payment plans without late fees. The intent of the proposed code change is to ensure, for a two-year period, that those customers participating in an extended payment plan to retire delinquent balances incurred when utility disconnections were postponed are not charged field collection fees associated with those balances, and during this period TPU began installing Advanced Meters, many of which have remote disconnection and reconnection capabilities. Customers with Advanced Meters are not assessed fees on remote disconnections and reconnections. The proposed changes would waive the standard field visit fee, daytime reconnections fee, and provide a one-time waiver per customer of an after-hours reconnection fee, if those fees are assessed in the next two years due to non-payment of charges before March 31, 2022, and if the utility customer establishes or reestablishes an extended payment plan related to such non-payment. The recommended changes would be in effect until May 31, 2024.

Voice vote was taken and carried. The resolution was adopted.

D-5 Resolution U-11315 – Declare surplus and authorize the negotiated sale of approximately 2.74 acres of unimproved Tacoma Power property, identified as Cowlitz County Assessor Tax Parcel No. WK1601006, located in the Vader vicinity of unincorporated Cowlitz County to the BNSF Railway Company for \$81,200.00

Ms. Cooley moved to adopt the resolution; seconded by Ms. Cohen.

Greg Muller, Real Estate Officer, summarized the resolution. The property was originally acquired by Tacoma Power in 2013, utilizing fish habitat funds targeted for fish habitat protection, restoration, and enhancement consistent with the Cowlitz Hydroelectric Project obligations under Federal Energy Regulatory Commission (FERC) License No. 2016. Given its land-locked status and small size, together with its location adjacent to

an operating rail line, there is limited opportunity to improve habitat functions and values on the property. BNSF, who operates the adjacent rail line, would like to acquire the property for a bridge replacement project across the Cowlitz River. Tacoma Power paid \$11,362.00 for the property in 2013, and the net sale proceeds will be returned to the fish habitat fund to be reinvested for fish habitat purposes consistent with the guidelines of the Habitat Advisory Group (“HAG”) oversight committee established by the FERC License Settlement Agreement Article 11. Real Property Services has worked with Tacoma Power’s Natural Resources division on this request, and the HAG committee has given its approval, and Tacoma Power and Real Property Services have negotiated the sale price to BNSF of \$81,200.00, which has been determined to represent fair market value. Tacoma Power has determined that the Property sought by BNSF is not needed for continued utility service and has deemed the Property surplus to Tacoma Power’s needs.

Voice vote was taken and carried. The resolution was adopted.

D. Reports of the Director

Covid

Director Flowers reported that the phased transition from mandatory telework to new work protocols that include hybrid work based on the updated telework policy put in place last year by the City Human Resources Department begins next week. The reconstitution team is planning this transition and communicating with employees. Group 2 employees will begin their transition to their new work schedule starting Monday. Group 3 employees will begin transitioning on June 6 and Group 4 employees will begin transitioning July 25. The phased approach will allow to support employee return without overwhelming internal support services related to technology and facilities. TPU anticipates completing its phased transition by the end of September. Group 2 includes 220 employees who will be working in the office 3 or more days per week. Group 3 includes 178 employees who will be working in the office less than 3 days a week and Group 4 includes 292 employees who will remain largely in remote work status reporting to the campus for meetings as required by their supervisor. There have more than 750 employees working on campus throughout the pandemic.

Starting February 16, 2022, Customer Service began contacting past due customers with assistance options as the moratorium was ending. These customers received a notification letter, email, installment plan, and an installment plan letter. Customer Services has also hung 4,460 door hangers and is exploring options to supplement door hanging efforts. About a week after it was reported at the Joint Study Session that a canvassing company to sweep our service territory was hired to advise customers with delinquent accounts of the end of the disconnect moratorium and opportunities to obtain assistance dollars if qualified, the canvassing company terminated the contract due to lack of labor resources. Customer Services continues to work to identify alternative ways to contact customers, including discussing capability with a second canvassing company. Of this initial group’s 24,288 residential customers, 5,638 have paid their balance in full, or approximately 23.2 percent. While we are making progress on customer counts, overall residential and commercial debt since February 16 has still gone up by \$2,072,795. Early data suggests that the proactive outreach has reduced the number of small balance delinquent customers, with remaining delinquent customers continuing to accrue debt. It is anticipated that the first physical disconnections would

occur in May. The latest information on the accounts indicates 50 percent of the customers owe \$0-500, approximately 18 percent owe \$500-1000 and approximately 23 percent owe \$1000-5000. Any assistance applied to accounts will bring that balance down and therefore make the monthly payment even more manageable. TPU remains focused on processing assessment forms and then following up with each customer. Customer Solutions has processed 3,300 assessment forms that have come in both electronically and paper. There are approximately 2,200 paper forms remaining to process. Lastly, the team is beginning to discuss what modifications to make to the remaining BCAP funds in account recovery efforts for the balance of the budget period.

Equity in Contracting Update

Director Flowers provided follow-up information to the Equity in Contracting item presented to the Board at the March 23 meeting. Director Flowers reviewed the updated application and interview timeline and reminded the Board Members to forward names of candidates to serve on this committee to the Clerk of the Board.

Strategic Directive Five (SD5, Environmental Leadership) Update

Carrie Mantle, Community Relations Officer, made introductory remarks and reviewed the SD5 purpose statement: TPU is committed to being stewards of the region's beautiful natural resources, and a leader in the preservation, protection, and restoration of those resources while maintaining excellent delivery of services.

Rail: Alan Matheson, Assistant Rail Superintendent, outlined Rail's major accomplishments in 2021. These include the installation of updated idle reduction tracking equipment on all locomotives and successfully executing the first worst-case scenario drill of the oil spill contingency plan. Looking ahead for 2022, Rail will continue to explore alternative fuels and other options to accelerate decarbonization of the locomotive fleet. Rail will also routinely engage with various stakeholder groups to ensure readiness for rapid implementation of the oil spill contingency plan, if necessary.

Power: Matt Bleich, Natural Resources Manager, outlined 2021 accomplishments related to environmental measures within the Federal Energy Regulatory Commission (FERC) license. Power produced over 10M juvenile salmon and steelhead; second year of sockeye salmon adult returns to the North Fork Skokomish River; sixth year of successful spring Chinook salmon introduction in the North Folk Skokomish River; collected and transported over 180k out-migrating juvenile salmon and steelhead at Cowlitz Falls; created the Cushman hatcheries and genetics management plans; and conserved over 20,000 acres of land for wildlife protection. For 2022, staff will continue to work on the Cushman Hatchery genetic management plan strategies; Cowlitz fisheries hatchery genetic management strategies; Cowlitz wildlife management plan collaboration; and designing the first Cowlitz satellite rearing site.

Cam LeHouillier, Assistant Power Section Manager, outlined 2021 accomplishments related to energy research and development. Power allocated \$1.2M in grant funding to install more than 90 electric vehicle (EV) charging ports. EV chargers were installed in parking lots, at multi-family swellings, in public spaces, business districts, and at the Port of Tacoma. Over 50 percent of the funding allocated was in low opportunity areas identified by the Tacoma Equity Index. Another \$1M in federal funding has been secured to extend these programs. New programs include the home EV charging pilot and smart water heater controller pilot. Lastly, Power is participating in public-private

partnerships to advance and demonstrate clean technology, micro-grid projects, liquid hydrogen carriers, and zero emission ferries and port equipment.

Water: Jesse Narog, Assistant Water Division Manager, outlined 2021 accomplishments. These include the replacement and upsizing of seven culverts to pass 100-year flow events and associated debris; acquisition and restoration of 24 acre derelict property in the watershed; working with the Army Corp of Engineers on Howard Hanson Dam downstream fish passage to select a preferred design; and a watershed spill drill and drinking water protection. For 2022, Water will continue to work with the Army Corp of Engineers on the Howard Hanson Downstream fish passage to secure funding for design and construction. Also, implementation of the watershed strategic plan and progress on the watershed management plan.

Director Flowers reported that staff is in the process of updating the MyAccount and that the team is on target to 'go-live' mid-day Thursday, April 14.

E. Comments by the Board

Ms. Cooley made positive remarks about Utilities People events.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 8:08 p.m. until Wednesday, April 27, 2022 for a study session at 3:00 p.m. followed by a regular meeting at 6:30 p.m.

Approved:



Mark Patterson, Chair



Carlos Watson, Secretary