



APPROVED 10/23/24

MINUTES
City of Tacoma
Public Utility Board Meeting
October 9, 2024
6:30 p.m.

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

Present: John O'Loughlin; William Bridges; Elly Claus-McGahan; Anita Gallagher

Excused: Carlos Watson

Minutes of the Previous Meetings

Mr. O'Loughlin moved that the minutes of the previous meetings be adopted; seconded by Mr. Bridges. Voice vote was taken and carried. The minutes were declared adopted.

Comments by the Public

There were no comments by the public.

Regular Agenda

C-1 Resolution U-11474 - A resolution to award certain contracts and approve certain purchases:

1. Increase contract to Power Settlement Consulting and Software, LLC, for renewal of the California Independent System Operator (CAISO) SettleCore Software to January 31, 2026 (\$300,000. Cumulative Total \$650,000, plus applicable taxes) [Chris Juchau, Power Utility Manager].

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

In response to a Board inquiry regarding how this resolution ties in with previous reports on the Western Energy Imbalance Market (EIM), Power Utility Manager Chris Juchau, explained that if Tacoma Power joins another market the vendor will roll out another product for that market. In addition, more competitors are entering the market.

Voice vote taken and carried. The resolution was adopted.

C-2 Resolution U-11475 – Approve Tacoma Power's state template Wildfire Mitigation Plan as required by HB 1032

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Joe Wilson, T&D Manager, summarized the resolution. Pursuant to HB 1032, the Department of Natural Resources (DNR) developed a Wildfire Mitigation Plan (WMP)

format and list of elements that was released in the spring of this year. Using the DNR format and list of elements, Tacoma Power created a WMP. HB 1032 requires Tacoma Power's governing board review of the plan. This is the first year that a WMP has been required in Washington State and this plan contains current mitigation strategies and planned updates. The WMP is a public facing document to promote public transparency into utility preparedness related to wildfire mitigation. Utility, Fire and Emergency Management stakeholders have engaged and offered their feedback and planned mitigation measures have been included in the upcoming biennium budget. Pursuant to HB 1032, the WMP will be updated every three years.

Voice vote taken and carried. The resolution was adopted.

C-3 Resolution U-11476 – A resolution declaring as surplus 200 pole-top and 12 pad-mounted transformers no longer needed for Tacoma Power's current or future needs and authorizing the sale of such surplus equipment to the highest responsive bidder.

Mr. Bridges moved to adopt the resolution; seconded by Ms. Claus-McGahan.

Sean Veley, Sr. Power Field Operations Supervisor, summarized the resolution. Tacoma Power originally acquired for public utility purposes, (12) surplus pad mount transformers and (200) surplus pole top transformers. Tacoma Power has determined that the equipment is no longer necessary for providing continued public utility service due to age, reliability and damage, and is deemed surplus to Tacoma Power's needs pursuant to the applicable provisions in RCW 35.94.040 and TMC 1.06.272-278. The equipment has an estimated resale value of \$65,000.

Board Member Claus-McGahan made positive remarks on staff work to expand the life span of transformers. In response to a Board inquiry, Mr. Veley explained that there are two markets for this surplus equipment. One is scrap metals recycling and other buyers have refurbishing capabilities and sell this equipment on the secondary market.

Prior to voting on this matter, a public hearing was held in accordance with RCW 35.94.040. There were no public comments.

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

C- Motion 24-11 – That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle the claim of Herbert Padilla, III, Claim No. L-010-24 in the amount of \$54,000.00.

Mr. Bridges moved to approve the motion; seconded by Ms. Claus-McGahan.

Engel Lee, Chief Deputy City Attorney, shared that this claim arises out of a 2023 motor vehicle incident with a TPU utility car. This motion would fully settle personal injury claims.

Voice vote taken and carried. The motion was approved.

D. Reports of the Director

- **Overview of 2025/2026 TPU Biennial Budget and Proposed Rates**
- **Public Hearing on 2025/2026 TPU Biennial Budget and Proposed Rates**

Director Flowers provided an overview of the 2025/2026 proposed budget and rates for TPU by summarizing the following: policymaker and public engagement; budget/rates strategy; challenges/considerations; goals; capital projects; biennial budgets; proposed rate adjustments; rate comparisons; and the bill credit assistance program. The public hearing is on October 9; the second reading of the budget is October 23. First City Council consideration is November 19 followed by the second reading of the budget on December 3. Feedback from the public remains open for consideration through final budget adoption.

Chair O’Loughlin then opened the floor for public comment. Mr. Jay O’Neal (sp?) identified himself as a Tacoma resident of 30 years and presented questions surrounding BCAP qualifications, rate comparisons, and how the comparators were selected.

There were no other commentors; the public hearing was closed.

E. Board Comments

There were no final comments from the Board.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 7:24 p.m. until Monday, October 23, 2024, for a study session at 3:00 p.m. followed by a regular meeting at 6:30 p.m.

Approved:



John O’Loughlin
Chair



Elly Claus-McGahan
Secretary