



APPROVED 8-25-21

MINUTES
City of Tacoma
Public Utility Special Board Meeting
July 28, 2021
3:00 p.m.

Chair Patterson called the Public Utility Board meeting to order at 3:00 p.m.

Present: Mark Patterson, Chrissy Cooley, Carlos Watson, Joe Bushnell, Holland Cohen (departed at 3:56 p.m.)

The meeting was quorate.

Minutes of the Previous Meetings

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

Comments by the Public

Ms. Cooley moved to suspend the rules of Public Utility Board Government Process Eight (GP8) to allow all public comment for all topics, whether on or off the agenda, at one time; seconded by Mr. Watson. Voice vote was taken and carried.

There was no public comment.

Regular Agenda

C-1 Resolution U-11271 - Award contracts and approve purchases:

1. Award two-year contract to Access Information Management Corporation for citywide professional off-site storage and secure destruction of records (\$240,000, plus applicable taxes. Includes option to renew for three additional one-year terms. Projected contract total \$600,000) [Patsy Best, Procurement and Payables Division Manager];
2. Award two-year contract to Critigen, LLC for GIS migration and system integration services (\$3,000,000, plus applicable taxes) [John Nierenberg, Asst. Power Section Mgr];
3. Increase contract to Utilicast Corporation for Energy Imbalance Market integration services (\$1,000,000, plus applicable taxes. Cumulative total \$4,500,000, plus applicable taxes) [Chris Juchau, Power Analyst];
4. Increase and extend contract to E-Source Companies (formerly Excery Corp) to support the transition for operations, management, system testing, mass meter deployment, and organizational change management for the Advanced Metering Program (\$446,046, plus applicable taxes. Cumulative contract total \$933,282, plus applicable taxes) [Andre Pedefferri, Advanced Metering Program Manager].

Mr. Watson moved to adopt the resolution; seconded by Mr. Watson.

Andre Pedferri, Advanced Meter Program Manager, provided supplemental information on item number four. Mr. Pedferri outlined the operations contract amendment, which is to increase the contract by \$446,046 and extend the term until July 1, 2023 to continue to use the consultant on an as-needed basis. This provides flexibility to meet the project/operational needs throughout the remainder of the project and mass meter deployment. This is not an AMI project budget increase, only a contract increase within the existing project budget. In response to Board requests, Mr. Pedferri further clarified that the meter replacement is taking approximately four to six months longer than anticipated. The pandemic caused efficiency losses and the transition to physical meter deployment work is still gaining efficiencies. There were logistical issues with physical warehousing and shipping and supply issues worldwide. But, staff is managing those challenges and expect to stay on track with current meter projection completion timelines. Staff will return in August or September for a comprehensive update on program and deployment status.

In response to a Board inquiry on item number one regarding the digitization of records, Susan Haigh, Assistant City Clerk, explained that some of the costs in the contract related to storage is for records that can't be destroyed yet. Digitization projects are happening and this cost will decrease over time as fewer items are sent to storage.

In response to a Board inquiry on item number three on staffing levels, Chris Juchau, Sr. Power Analyst explained that staff had to rely more on the consultant to fill in gaps on overestimation of hours in-house staff would need to manage this project. This experience will be used to right size the work force when budgeting for employees.

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

C-2 Amended Resolution U-11333 - A resolution amending Resolution U-11133 adopting Public Utility Board Governance Process (GP) Policies by updating GP2 (Meetings) and GP8 (Order of Business).

Ms. Cooley moved to adopt the resolution; seconded by Mr. Watson.

Tom Morrill, Chief Deputy City Attorney, explained the only substantive change is moving the regular meetings from 6:30 to 6:00. The process is to have two readings of changes to Government Processes at regular meetings. Changes will be brought back at a future, regular meeting.

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

C-3 Resolution U-11272 – Authorize Tacoma Water to participate in the City of Tacoma, Department of Public Works, South 21st and Fawcett improvements project to install approximately 1,800 feet of 6-inch to 24-inch water main along Fawcett Avenue and South 21st Street (\$912,152.09, plus a 15 percent contingency for a cumulative total of \$1,048,974.90, plus applicable taxes).

Mr. Watson moved to adopt the resolution; seconded by Mr. Bushnell.

Troy Saghafi, Professional Engineer, summarized the resolution. Tacoma Water is requesting authorization to participate in the City of Tacoma, Department of Public Works South 21st and Fawcett Improvements Project and as part of this Project, Tacoma Water proposes to partner with Public Works to reconstruct the existing roadway and replace approximately 1,000 feet of existing water main constructed circa 1891, and proposes to install approximately 1,800 feet of 6-inch to 24-inch water main along Fawcett Avenue and 21st Street. The project will minimize long-term road maintenance obligations by improving the surface with concrete panels and asphaltic sections, and will add new signals and a median refuge island to support bicycle and pedestrian movement, upgrade underground utilities, install traffic calming measures, and construct new illumination and sidewalks/ADA improvements. The total project cost is \$6,889,416.98, under a contract managed by Public Works, and Tacoma Water's contribution amount is \$912,152.09, plus a fifteen percent contingency, for a cumulative total to Tacoma Water of \$1,048,974.90, plus applicable taxes. Tacoma Water believes it is in the best interest of the utility and its customers to include the water main work in the project, to improve project delivery, reduce project costs, improve system availability, and consolidate construction disturbance to businesses.

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

D. Reports of the Director

Covid

Director Flowers reported that the Governor has recommended mask use indoors in public areas regardless of vaccination status. Staff will continue to evaluate updated guidance, coordinating with state and local health departments, Washington State Department of Labor & Industries, and our labor partners. Reconstitution will be happening over coming months so there is time to refine protocols as guidance changes. The lobby is scheduled for formal opening next Monday, August 2. This week, the Customer Services team has been preparing for lobby re-opening, testing appointments systems and other process changes that have been made in anticipation of opening. The Reopen Tacoma Directive was issued a couple weeks ago. With that, continuity staff who had adopted modified job reporting protocols over the last one and a half years to resume pre-pandemic job reporting. This largely affects field staff. For staff who have been on mandatory telework, work groups continue to refine reconstitution plans and future telework/hybrid work requests. Those documents will inform phased reconstitution of work groups outside of Customer Services beginning in September. Staff will continue to monitor updated guidelines and requirements which will inform careful and cautious phased approach to reconstitution.

Use of TPU Property for Managed Temporary Mitigation/Stabilization Site

Director Flowers made introductory remarks. TPU staff has been responding to the Tacoma City Council's request for staff to evaluate City-owned property for potential use as temporary mitigation/stabilization sites. TPU acquires and maintains property to achieve its mission of providing water, power or rail services. Over time, parcel use may change as infrastructure is added or removed based on service provision needs. TPU's response to the inquiry has focused on a review of TPU's current use of the identified property and operational impacts from the proposed temporary use. With assistance

from the City's Real Property Services, TPU reviewed 150 properties to determine which may meet the City's need. Of these, 16 TPU properties were thought to potentially meet the City's criteria. An operational review was conducted by Tacoma Power and Tacoma Water to determine what impacts may occur if the identified 16 properties were used for a temporary mitigation/stabilization site. Tacoma Power identified 4 properties, 2 of which Neighborhood and Community Services (NCS) determined did not meet their needs. Tacoma Water was unable to identify a property that would not be operationally impacted. At this time, NCS is requesting developing a Memorandum of Understanding (MOU) for the site at 82nd and Pacific.

Allyson Griffith, Assistant Director with Neighborhood and Community Services, summarized NCS strategy to address homelessness in our community particularly focused on siting a temporary mitigation/stabilization site to better serve individuals currently living in encampments. As background, in 2017 the City declared a public health state of emergency regarding homelessness and focused on the unsafe conditions encampments create both for the individuals residing in encampments and the community immediately impacted by those encampments. The City recognized the need to establish an alternate shelter location and reviewed over 600 City-owned sites and located the Stability Site on City-owned property at 1423 Puyallup Avenue adjacent to the Cavanaugh Building. Since 2017, the City has been working toward expanded shelter capacity through a variety of methods including partnerships with faith-based organizations and contracted partnerships. Ms. Griffith then shared information demonstrating shelter capacity and tracking. Over the spring, the City conducted outreach with individuals living in encampments and talked with businesses and neighborhood council members about their needs related to City-authorized shelter sites; there is a noticeable increase in the number of encampments and the number of people residing in those encampments throughout the City. When speaking with the individuals living in encampments, several noted that they had become homeless or were living in encampments due to pandemic-related reasons such as job loss. Individuals also expressed desire for smaller scattered alternative shelter sites throughout the community rather than a single larger location and a desire to continue to be able to live outdoors with their belongings—this is also apparent when the Homeless Outreach Team has been working to connect individuals to available shelter resources and individuals have been connected with micro-shelters or the Stability Site and have chosen not to stay due to restrictions such as curfew or requirement to engage in case management services, or they have been asked to leave because they could not adhere to the requirements of the specific location. Individuals in encampments and the broader community both expressed a desire for any alternate shelter location to have access to hygiene services such as restrooms, hand-washing, and trash disposal as well as access to services such as healthcare and mental health services on site. Neighborhood council members and the business community have also expressed the need for active site management and security on site to ensure the safety of individuals in the shelter location as well as the immediate surrounding community. This resulted in extensive review of General Government and TPU owned properties to find suitable locations which resulted in the Council providing support for the implementation of a micro-shelter location at S. 69th and Proctor and a request to re-review properties to recommend possible suitable locations for a temporary mitigation/stabilization site. Out of that review, two possible TPU-owned properties that were presented to Council at their July 13th Study Session were identified. Council offered support for use of 82nd and Pacific and has asked that staff continue to explore the feasibility of the use of property in NE Tacoma. NCS is

requesting Board authorization to enter into a MOU for the use of the property at 82nd and Pacific as a temporary mitigation/stabilization site. Should the Board provide authorization, NCS would proceed with identifying a provider to offer site management and procuring the necessary infrastructure such as fencing, lighting, and restrooms, which would make the site functional. Any items placed on the site would be removed when the City had finished using the site and the site would be returned to TPU in the condition it was received. Concurrent with site set-up, NCS staff would also begin community outreach which includes mailers to the surrounding neighborhood to notify them of the project and offer contact information for questions and concerns as well as door-to-door visits to the immediate neighbors. Throughout the operation of the site, the neighbors will also be provided with a direct contact for the site should there be any operational issues.

Chad Edinger, Assistant Power Section Manager, shared that there are no operational impacts to Tacoma Power with this MOU and there is no plan for Tacoma Power's future use of the property on 82nd and Pacific.

Director Flowers concluded by stating the question before us today is whether there would be an impact to utility operations if the site were to be a temporary mitigation/stabilization site. Staff has not identified impacts to utility operations by the temporary use at the two sites. TPU does not develop property for non-utility purpose – such as neighborhood parks. Additionally, the adequacy of the site with respect to meeting the temporary mitigation/stabilization needs is not under the jurisdiction of TPU staff or the Public Utility Board. That analysis will be conducted by NCS.

Board Members Watson and Cohen made comments in support of the MOU. Board Member Cooley made comments in agreement that homelessness is at a crisis level and inquired about TPU being required to provide any wrap-around services and any planned use extension. In response, Tom Morrill, Chief Deputy City Attorney, added that the MOU will be for two years and all costs would be covered by General Government; there will be no cost to TPU, including insurance, damages, etc. At the end of the two year period, NCS will re-evaluate the need and Power will indicate whether or not the property is still available. Ms. Griffith added that the plan is to shift toward housing and if there is any change to the City's recommendation, the Board and public would be engaged. Board Member Bushnell added that this is a huge problem that has been exasperated by the pandemic. Mr. Bushnell made comments pointing out the disproportionate amount of stabilization and mitigation sites located in District 5 of Tacoma, not leveraging the equity index, and lack of equity and no siting in other portions of the City. Chair Patterson made comments agreeing that this is a big problem with no easy solutions. The recommended site may not be ideal, but is what TPU has available for this purpose. Mr. Morrill added that Legal is prepared to work with NCS on the MOU and will keep the Board updated as that work progresses.

E. Comments by the Board

Board Member Cooley is a member of the American Public Power Association Policy Maker's Council; Ms. Cooley provided a report on recent activities. Ms. Cooley and legislative staff met with staff from six offices: Senators Patty Murray and Maria Cantwell, and Representatives Derek Kilmer, Kim Schrier, Adam Smith, and Marilyn Strickland. The issues discussed varied by the office and the Member's Committee assignments; TPU advocated for: Support for an appropriations request by Senator

Murray for \$1M for the next phase of our multifamily/public electric vehicle charging pilot program; Comparable tax incentives for public power utilities, including legislation supported by Senator Cantwell for tax incentives for hydropower capital projects; Tax-exempt municipal bonds, including restoration of tax-exempt advanced refunded bonds; Research and development for hydrogen power; Support for White House-led negotiations on the Columbia River Treaty; and TPU's growing pandemic customer bill balances. The Tacoma team thanked staff for legislation moving that would provide significant increases in borrowing authority for the Bonneville Power Administration and for support of additional funding for a national hydropower program that benefits the Cushman hydroelectric project. Representatives and Senators shared: Good understanding and support for TPU's legislative agenda; Interest in the growing customer bill balances and an openness to helping if TPU needs assistance working with federal and state agencies administering COVID assistance programs; Interest in working with Joint-Base-Lewis-McChord to take next steps on sustainability/clean energy goals; and much interest in hydrogen and electric vehicles. Ms. Cooley concluded by expressing her appreciation for serving as a Board Member and as a member of this APPA committee.

F. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 4:13 p.m. until August 11, 2021 at 3:00 p.m.

Approved:



Mark Patterson, Chair



Carlos Watson, Secretary