



APPROVED 2/23/22

MINUTES
City of Tacoma
Public Utility Special Board Meeting
February 9, 2022
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, Holland Cohen; John O'Loughlin

The meeting was quorate.

Newly-appointed Board Member, John O'Loughlin, made comments of appreciation about being able to serve the public while on the Public Utility Board and Board Members made welcoming remarks.

Minutes of the Previous Meetings

Ms. Cooley moved that the minutes of the previous meetings be adopted; seconded by Mr. Watson. 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.

Regular Agenda

- C-1 Resolution U-11305 - Award contracts and approve purchases:
1. Award three-year contract to Hart Crowser, a division of Haley & Aldrich, to perform work in Agreed Order DE 16955 with the Department of Ecology concerning the former Kosmos lumber mill contamination mitigation plan (\$878,935, plus applicable taxes) [Kevin Smith, Power Engineer III];
 2. Increase contract with CenturyLink Communications, LLC, for two gig-ethernet 1000 mega-bit lines to support payment card industry compliance (\$42,364.80. Cumulative total \$518,262.60, plus applicable taxes) [Lee Henslee, Power Engineer].

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

In response to a Board request, Kevin Smith, Power Engineer, provided background on item number one. This site is located near Morton at the former Kosmos Mill Site that

was demolished and inundated in 1968 with the construction of Mossyrock Dam and creation of Riffe Lake. In April 2019 a seep was discovered and reported to Department of Ecology. Sampling indicated presence of Bunker C range petroleum hydrocarbons. Hart Crowser was selected as the environmental consultant to conduct an investigation and feasibility study for the project. In October 2019 as reservoir elevations decreased a sheen was observed in adjacent Rainey Creek and best management practices were immediately deployed. In November of 2019 Power declared an emergency to implement an independent remedial action to address the exposed seeps before water levels in Riffe Lake inundated the area. A protective cap was installed and approximately 11,000 tons of impacted soil was excavated and removed. This work was completed in early February of 2020. An Agreed Order with Ecology was executed on August 19, 2020 requiring preparation and submittal of a data summary report, remedial investigation, feasibility study, and draft cleanup action plan. In accordance with the Agreed Order a data summary report was submitted and approved by Ecology on February 24, 2021 and a remedial investigation work plan was submitted and approved by Ecology on January 11, 2022. Power has been working closely with an internal consultant from Environmental Services who has experience with MTCA (Model Toxics Control Act) cleanups and has provided essential guidance and expertise. The scope of work for this contract with Hart Crowser includes performing the remedial investigation per the approved work plan, scheduled to begin in March 2022, and assembling the remedial investigation report. Field investigation includes ground penetrating radar survey, drilling explorations to collect soil and grab groundwater samples, installation and monitoring of wells, excavation and sampling of test pits and pot holes, and collection of sediment and surface water samples in the creek to define the nature and extent of contamination. Scope of the contract also includes preparing and submitting the feasibility study which will present a scope of alternatives to be considered, and preparing and submitting a draft cleanup action plan that will describe the proposed cleanup action. This contract and the current Agreed Order do not include preparation and implementation of the final cleanup action plan which will be negotiated with Ecology under a separate Agreed Order. In response to a Board inquiry regarding timelines, Mr. Smith shared that the investigation beginning in March 2022 should extend through September 2023 and the feasibility study and draft cleanup plan would take place after that. In response to a Board inquiry about the protective temporary cap at the site, Mr. Smith stated that the situation is being monitored weekly, including sampling.

In response to a Board inquiry on item number two regarding credit card industry compliance, Lee Henslee, Power Engineer, responded that this is needed to comply with protective standards. Credit card information shared verbally or through phone tones can be detective; this upgrade bolsters security of the system.

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

C-2 Resolution U-11306 – Pursuant to Resolution U-10792, authorize Tacoma Power to enter into an energy conservation agreement with Sherlocked Development LLC, a state licensed marijuana business.

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

Alan Fraser, Power Engineer, summarized the resolution. The Board approved Amended Resolution U-10792, which stipulates the requirements for providing conservation services to state-licensed marijuana businesses including Board approval of conservation transactions in excess of \$200,000. Sherlocked Development LLC, is a marijuana producer, and in order to expand production, the customer intends to install LEDs rather than conventional, energy intensive lights. In support of this installation, the customer is requesting assistance funding through Power's energy conservation program and the scope of work and equipment meets program rules and is eligible for the incentive and a conservation agreement in the amount of \$234,363 with Sherlocked Development LLC was approved by the PUB on October 27, 2021. Since that time, the project scope has increased the request for the incentive and is estimated to be approximately \$464,264. This resolution authorizes the energy conservation agreement with Sherlocked Development LLC, for the installation of LEDs, that was approved through Resolution U-11289 with an increased incentive estimated in the amount of \$464,264 and that the Director of Utilities is authorized to approve future increases in this incentive contract not to exceed \$200,000.

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

D. Reports of the Director

Covid

Director Flowers responded that not much has changed in terms of operational response, protocols, or supply chain challenges from the last update. The report will focus on our plans to support customers as TPU transitions out of the moratorium on disconnects. John Hoffman, Assistant Customer Services Manager, provided background. The Mayor and Governor issued separate utility disconnection moratoriums in March 2020; the Governor's moratorium ended September 2021 and the Mayor's currently remains in effect. An emergency assistance program of \$42.4M was created from utility funds and a \$750,000 small business program was deployed from Tacoma CARES funds. Low Income Home Energy Assistance Program funds of \$4.5M was distributed through partners. Staff is actively working with partners to apply Covid dollars to accounts. Mr. Hoffman reviewed the overdue customer balance for commercial, residential, industrial accounts both inside and outside of Tacoma as of January 27, 2022. As of that date, 28,609 residential customers have aging accounts; 83 percent owe less than \$2,000 and 64 percent owe less than \$1,000; \$964.65 is the average residential account balance (18,190 haven't made a payment in the last 60 days; 14,753 haven't made a payment in the last 90 days; 1,383 haven't made a payment since the start of the pandemic).

The Mayor established a bridge period for TPU customers following the end of the Governor's moratorium. Once the utility disconnect moratorium expires, TPU customers will be set up on automatic, flexible 24-month installment plans for Covid balances. Late fees will not be collected on past-due Covid balances. TPU will continue communicating with customers through numerous channels to connect them with available assistance. Eligible households will be enrolled in recently expanded discount rate or bill credit assistance plan programs.

Staff recommends advanced notice of moratorium expiration. The goal is to connect customers for funds for which they qualify and work with customers to keep services in

place. In February 2022, TPU will mail approximately 28,000 letters to residential customers regarding the availability of assistance funds. In mid-February, TPU will mail approximately 1,600 letters to small/mid-size businesses informing them of their options. In March, TPU will deploy a canvassing company to go door-to-door and distribute information regarding assistance funds available. In March, TPU will transition customers to payment plans for past-due amounts.

Workforce Connect Update

Tony Landrith, Assistant Power Section Manager, Carol Powers, Power Engineer, Ellaine Hoff, Power Supervisor, made the presentation. The Workforce Connect (WFC) project was a cross-divisional, three-year undertaking put in place to replace an obsolete system. The project was finished under budget. WFC offers expanded platform usage for staff; improves safety via field crew visibility; and has improved field routing with a reduced environmental impact. There are real-time updates and expanded customer history. To date, products completed have been the MDSI replacement, timesheet enhancements, and some AMI features. For the next biennium, WFC will include extending to mobile to further support AMI and a platform upgrade. Taylor Lloyd, Business Analyst, then provided a product demonstration. In response to a Board inquiry regarding analytics reporting capabilities, staff answered that some analytics are built in and there will be enhanced reporting is being developed. In response to a Board inquiry about AMI impacts, staff answered that they're currently working on events and alarm notifications that can automatically generate from AMI meters. Staff is also working on error codes that can dispatch a technician. AMI solar meters are also in the queue. The benefit of all this going through WFC is that it reduces the different applications used by the crews in the field. Board Members made positive comments about the progress on this project and the fact that it was under budget.

Power Natural Resources Workforce Changes

Matt Bleich, Natural Resources Manager, provided an overview of Power Natural Resources services and which have augmented staff. One of the main contracting partnerships is with the Pacific States Marine Fisheries Commission (PSMFC), which provides for 14 full-time staff members. In addition, there are 10 seasonal staff members. Mr. Bleich provided a summary of the evolving workforce strategy from 2004 to the current time. The work force strategy changed during these years as staffing depended on the different stages of the Cowlitz and Cushman licensing issuances and agreements. Mr. Bleich then shared a graphical representation of projected needs in different stages of relicensing in the future. The plan for spring of 2022 is to shift from the contractor to FTE status for 14 FTEs with no budget impact. The benefits of doing this is for clarity, longevity, growth and sustainability, and increased morale. In response to a Board inquiry, Mr. Bleich explained that these FTEs will be non-represented and that the part-time employees will remain as is as it works well for seasonal needs.

E. Comments by the Board

There were no final comments by the Board.

F. Executive Session

Board Member Cooley moved to enter into an executive session at 4:50 p.m. not to exceed 60 minutes, to discuss the performance of a public employee per RCW 42.30.110(1)(g); seconded by Board Member Watson. Voice vote taken and carried.

Chair Patterson announced that there would be no further business after the executive session and moved that after the conclusion of the executive session, the Clerk of the Board is authorized to adjourn the meeting; seconded by Ms. Cooley. Voice vote taken and carried. The executive session concluded at 5:34 p.m.

G. Adjournment

There being no further business or comments, the Public Utility Board meeting was adjourned at 5:34 p.m. until February 23, 2022 at 3:00 p.m.

Approved:



Mark Patterson, Chair



Carlos Watson, Secretary