



Tacoma Charter Review Committee

Utilities Subcommittee

Recommendations

- Section 4.1 Adding Internet as a Public Utility
- Sections 4.8 & 4.9 Broadening Board Membership
- Section 4.15 Shared Services Audit
- Section 4.19 Clarifying Purpose of Inquiry



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Section 4.1

Adding Internet as a Public Utility

Current Charter Language

General Powers Respecting Utilities

Section 4.1 – The City shall possess all the powers granted to cities by state law to construct, condemn and purchase, purchase, acquire, add to, maintain, and operate, either within or outside its corporate limits, including, but not by way of limitation, public utilities for supplying water, light, heat, power, transportation, and sewage and refuse collection, treatment, and disposal services or any of them, to the municipality and the inhabitants thereof; and also to sell and deliver any of the utility services above mentioned outside its corporate limits, to the extent permitted by state law.

Amendment Recommendation Section 4.1

General Powers Respecting Utilities

Section 4.1 – The City shall possess all the powers granted to cities by state law to construct, condemn and purchase, purchase, acquire, add to, maintain, and operate, either within or outside its corporate limits, including, but not by way of limitation, public utilities for supplying water, light, heat, power, **internet**, transportation, and sewage and refuse collection, treatment, and disposal services or any of them, to the municipality and the inhabitants thereof; and also to sell and deliver any of the utility services above mentioned outside its corporate limits, to the extent permitted by state law.

Why?



Effect

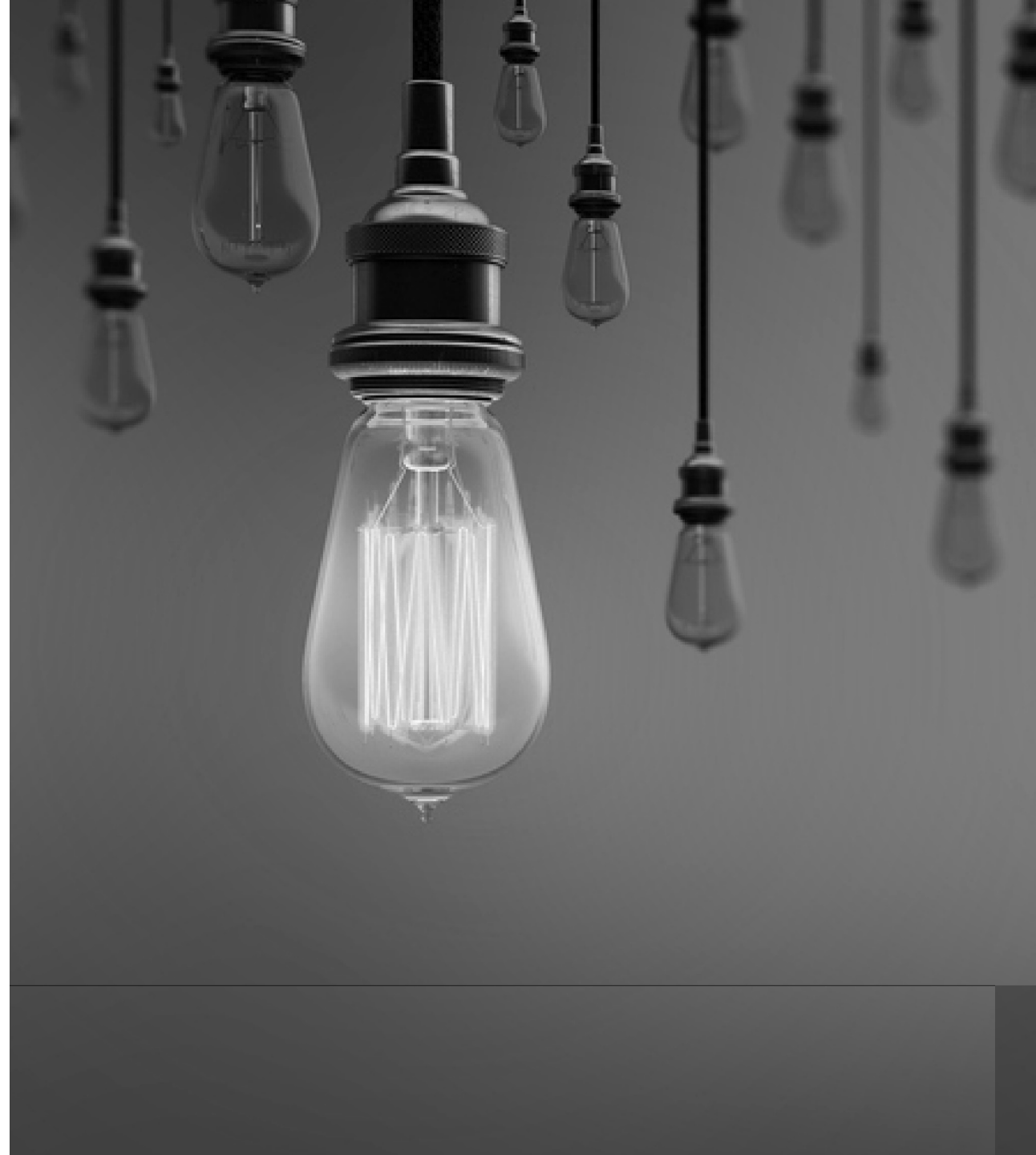
Adds internet as an allowable public utility, providing TPU the power and direction to be able to serve the city with internet as a public benefit

Purpose

Affordable and available internet access is increasingly a necessity for businesses and families to function and prosper in our society

Sections 4.8 & 4.9

Broadening Board Membership



Current Charter Language

The Public Utility Board

Section 4.8 – There is hereby created a Public Utility Board to be composed of five members, appointed by the Mayor and confirmed by the City Council, for five-year terms; provided, that in the appointment of the first Board, on the first day of the month next following the taking of office by the first Council under this charter, one member shall be appointed for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years, and at the expiration of each of the terms so provided for, a successor shall be appointed for a term of five years. Vacancies shall be filled for the unexpired term in the same manner as provided for regular appointments.

Section 4.9 - Members of the Board shall have the same qualifications as provided in this charter for Council Members. Members shall be entitled to reimbursement for expenses incurred in carrying out their official duties, other than those incident to attending board meetings held within the City of Tacoma.

Amendment Recommendation Section 4.8 & 4.9

General Powers Respecting Utilities

Section 4.8 – There is hereby created a Public Utility Board to be composed of five members, appointed by the Mayor and confirmed by the City Council, for five-year terms; provided, that in the appointment of the first Board, on the first day of the month next following the taking of office by the first Council under this charter, one member shall be appointed for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years, and at the expiration of each of the terms so provided for, a successor shall be appointed for a term of five years. **Four members of the Board shall be residents of the City of Tacoma and one member of the Board shall be a Pierce County resident outside the City who is a retail power or water utility account holder; provided, that in the appointment of the first resident outside the City member shall take place on or before January 2027.** Vacancies shall be filled for the unexpired term in the same manner as provided for regular appointments.

Section 4.9 - Members of the Board shall have the same qualifications as provided in this charter for Council Members, **except for residency requirements.** Members shall be entitled to reimbursement for expenses incurred in carrying out their official duties, other than those incident to attending board meetings held within the City of Tacoma.

Why?



Effect

Reserves one Board position of the current five for a member that lives and receives service outside of the City of Tacoma

Purpose

While the City of Tacoma owns the public utility and assumes the risk of its operations, over half of the revenue received to operate and invest in the utility is gathered from franchise jurisdictions outside of the city. This provides a voice on the board to represent such jurisdictions



Section 4.15

Shared Services Audit

Current Charter Language

The Public Utility Board

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 firm 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.

For reference:

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.

Amendment Recommendation Section 4.15

The Public Utility Board

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 **and an audit of the shared services as described in Section 4.17. This survey and audit shall be done** under the jurisdiction of the board by a competent management consulting firm **and qualified financial auditor** ~~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.

Why?



Effect

Adds an audit to the already performed 10-year management review that provides a cost-benefit assessment of the services shared by the city and utility

Purpose

To ensure both the city and the utility are receiving and/or providing services in line with the payments made for such services

Section 4.19

Clarifying Purpose of Inquiry



Current Charter Language

The Public Utility Board

Section 4.19 – Except for the purposes of inquiry, the Board and its members shall deal with officers and employees of the Department of Public Utilities only through the Director.

Amendment Recommendation Section 4.15

The Public Utility Board

Section 4.19 – ~~Except for purposes of inquiry, the Board and its members shall deal with officers and employees of the Department of Public Utilities only through the Director.~~ **Neither the Board nor any member thereof shall give orders to the Director's subordinates or otherwise interfere with managerial functions through such means as directing or requesting the appointment or removal of any of the Director's subordinates, or the making of particular purchases from or contracts with any specific individual or organization.**

Outside of these prohibitions, the Board is permitted to make direct inquiries of, and receive relevant information from staff for the purposes of the formation of budget and policy.

Why?



Effect

Clarifies what “purpose of inquiry” means by clearly defining prohibitions and allowances of Board inquiries to staff

*This proposed language aligns with similar language in Article 2 referencing inquiry between the Manager and Council

Purpose

To remove the subjective nature of the definition of “inquiry” for purposes of transparency