

From: Heidi <batlmaiden3@aol.com>
Sent: Sunday, February 16, 2020 12:46 PM
To: Planning; Lillian.lillian.hunter@cityoftacoma.org; board@southtacoma.us; a@aol.com; Beale, Chris; City Clerk's Office
Subject: Housing Types in Tacoma

Follow Up Flag: Follow up
Flag Status: Flagged

To whom it may concern,

I am opposed to any types of housing other than single dwellings on single dwelling lots. We have too many multiple housing units that have no off street parking. This is causing in many neighborhoods parking issues. Cars are not going away anytime soon and with more people wanting to move here because Seattle is too expensive, we do not have to accommodate them. We need to maintain a high quality of living here in Tacoma for the residents that already exist. We do not need to do what is trending in other Cities. Very few if any will be affordable housing and everyone with the *exception* of long time residents are getting tax breaks. This to me is a slap in the face to these residents. Stop crowding this City and following trends that will ruin this wonderful city. Remember in the Washington State Growth Management Act it says to maintain a high quality of life. Again this is not a high quality of life if there is no parking and people stacked on top of each other with no open space that should be within the units that are built.

Sincerely,

Heidi White, Life long Tacoma Resident

From: Kris Blondin <krisblondin@gmail.com>
Sent: Monday, March 16, 2020 6:02 PM
To: City Clerk's Office
Subject: Attention City Council - Parking Meters

Follow Up Flag: Follow up
Flag Status: Flagged

Hello, my name Kris Blondin and I have owned three businesses in downtown Tacoma since 2003. I love our downtown and have always supported parking meters/timed parking and the city's effort in making parking easier and accessible. However, our current situation involving the Corona virus is forcing restaurants, bars and other businesses to close or have limited hours. Also, many people are now forced to work from home. It is my understanding that parking enforcement is working full force as if everything is normal. Clearly, it is everything BUT NORMAL and ticketing people for over-extending their parking time limits should be temporarily suspended until the threat is gone. By doing so, those of us who still can work and provide services, along with downtown residents working from home, can do so without the financial burden of parking fees. Thank you for your time.

Kris Blondin

Sent from my iPad

From: Donna Estes <donna.l.estes@gmail.com>
Sent: Tuesday, March 17, 2020 3:02 PM
To: City Clerk's Office
Subject: Council Meeting Question

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Council Members,

What is the City of Tacoma prepared to do, specifically, to help financially support it's citizens who have been financially impacted by COVID-19?

For example; the City of Seattle is providing \$800.00 food vouchers for it's residents who already receive SNAP benefits. The City of Seattle has also declared a moratorium on evictions and foreclosures.

What can our residents expect?

Donna Estes

Tacoma

From: Deanna Gonzalez <dgonzalez@phillipsburgesslaw.com>
Sent: Tuesday, March 17, 2020 3:10 PM
To: City Clerk's Office
Cc: Heather Burgess
Subject: Public Comment for March 17, 2020 City Council Meeting / Agenda Items 18 and 25
Attachments: Ltr re Public Comments for March 17, 2020 City Council Meeting.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Mayor Woodards and Tacoma City Council Members,

On behalf of Heather Burgess, attached please find correspondence regarding the above-referenced matter for inclusion with this evening's City Council Meeting. Please contact Ms. Burgess should you have any questions. Please confirm receipt.

Thank you kindly,
Deanna

Deanna L. Gonzalez
Paralegal
dgonzalez@phillipsburgesslaw.com | [website](#)

724 Columbia St. NW, Suite 320, Olympia, WA 98501 | 360.742.3500
915 S. I Street, Tacoma, WA 98405 | 253.292.6640



REAL ESTATE | LAND USE | ENVIRONMENTAL LAW

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March 17, 2020

TRANSMITTED VIA ELECTRONIC MAIL ONLY:

cityclerk@cityoftacoma.org

Mayor Victoria Woodards
Members of Tacoma City Council
John Hines
Robert Thoms
Catherine Ushka
Chris Beale
Lillian Hunter
Conor McCarthy
Kristina Walker
Tacoma Municipal Building
747 Market Street, 12th Floor
Tacoma, Washington 98402

**Re: Public Comment for March 17, 2020 City Council Meeting
Agenda Item 18 (Settlement of *Tacoma Life Properties LLC v. City of Tacoma*) and
Item 25 (Ord. 28606, Tacoma Behavioral Hospital Rezone)**

Dear Mayor Woodards and Members of the Tacoma City Council:

This firm represents Vest Thurston LLC (“Vest Thurston” or “Client”), who recently developed the South Sound Behavioral Hospital in the City of Lacey. Vest Thurston and its parent company have a strong track record of developing new hospitals and services to meet the urgent need for behavioral healthcare in each community it serves.

I write today on behalf of my Client to strongly encourage the City Council to require additional documentation surrounding Signature Health’s discharge planning policies and procedures for the Tacoma Behavioral Hospital as a condition of approving the proposed settlement of the pending land use appeal and approval of the associated rezone. Through our firm, Vest Thurston participated in the public process associated with the Tacoma Behavioral Hospital project, providing detailed comments on the SEPA determination and again at the public hearing for the permits.

In reviewing the settlement agreement, the Hearing Examiner’s recommendation, and supporting materials in this evening’s agenda packet, Vest Thurston is extremely concerned, as another provider in the behavioral health space, that Signature Health has failed to provide any specific information regarding discharge planning policies and procedures for the proposed facility. Instead, responding to Lt. Still’s question from the Tacoma Police Department “What will be your patient discharge procedures,” Signature Health simply responds that “Discharge procedures are heavily regulated” and provides a general reference to CMS Interpretive Guidance on the subject. *See* Ex. A-3, p. 40 of the Exhibit packet (in .pdf form). Similarly, the operational safety conditions incorporated as conditions of

Mayor Victoria Woodards
Members of Tacoma City Council
March 17, 2020
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approval require only that discharges be “governed by federal ... DHHS procedures, known as CMS interpretive discharge procedures.” *See Recommended Operational Safety Conditions at 2, Condition 4.*

In Vest Thurston’s opinion as a behavioral hospital operator, the City Council can and should demand more specifics than what Signature Health has provided regarding discharge procedures and protocols for the Tacoma Behavioral Hospital in order to assure the safety of the surrounding community. Discharge procedures and protocols for behavioral health facilities are indeed heavily regulated, but their content and quality vary by facility and provider. South Sound Behavioral Hospital, through its parent company, maintains a set of standard procedures and protocols for its facilities, and Vest Thurston provided copies of those to reviewing authorities in conjunction with land use permitting for the South Sound Behavioral Hospital in the City of Lacey. My client respectfully suggests that the City of Tacoma require Signature Health to do the same prior to or as a condition of authorizing the proposed settlement and approving the required rezone.

Thank you for considering these comments.

Very truly yours,

*Sent without signature to
avoid delay*

Heather L. Burgess

HLB/dlg
cc: Client

Mayor Victoria Woodards
Members of Tacoma City Council
March 17, 2020
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From: jen schlatter <jenschlatter@gmail.com>
Sent: Tuesday, March 17, 2020 3:52 PM
To: City Clerk's Office
Subject: City Council meeting public comment

Follow Up Flag: Follow up
Flag Status: Flagged

Regarding the City's response to the COVID-19

In today's press release, it stated that the Tacoma Municipal Court suspended jury trials until April 24 but all other cases will proceed.

Yesterday, I phoned the municipal court and asked what the plan was to provide safety measures in the court rooms, i.e., room for social distancing, hand sanitizer outside the room. The response was "business as usual. There are no plans to change at this time."

The City Council has limited their exposure by limiting the number of attendees at tonight's council meeting. Why aren't those at court hearings given that same consideration? The reason for the jury trial suspension was about keeping the jury safe not the trial participants. These double standards demonstrate what citizens you all value and who you deem less than.

The city must close the Tacoma Municipal Court for all business. The current situation is putting people's lives at risk.

Jennifer Schlatter

405 6th Ave Tacoma Wa 98402

From: Alexis Sargent <alexis.scarlett@gmail.com>
Sent: Tuesday, March 17, 2020 3:58 PM
To: City Clerk's Office
Subject: Community input for tonight's city council meeting

Follow Up Flag: Follow up

Flag Status: Flagged

To city council members and the Tacoma community:

My name is Alexis Sargent, Tacoma resident and downtown small business owner.

I'm emailing in regards to tonight's city council meeting and how it will address COVID-19's effect on renters and landlords.

I'd like to request

A) A moratorium on evictions, effective immediately, lasting at least 30 days. We need an emergency measure to halt the evictions for nonpayment of rent by those affected by business closures and layoffs, etc. related to state mandated COVID-19 business closures.

B) A measure to address temporary rent relief for those who cannot work due to state mandated COVID-19 business closures as well as relief for landlords.

Thank you,

Alexis Sargent
515 N 2nd St Apt. 213
Tacoma, WA 98403

From: Charles Mann <bluetape.zipties2@gmail.com>

Sent: Tuesday, March 17, 2020 4:32 PM

To: City Clerk's Office

Subject: RES 20-0022 resolution declined!

Attachments: 20200317_RES20-0022-declined.pdf

Follow Up Flag: Follow up

Flag Status: Flagged

Hello,

This accompanies the following version, Resolution 20-0022.

Sincerely,

Charles Mann

We can weave from common threads a world of strength & beauty.

2145 South L Street
Tacoma, Washington 98405

Resolution 20-0222

City Council
City of Tacoma
747 Market Street
Tacoma, Washington 98402

Dear Mayor, Deputy Mayor Blocker and other interested persons:

I'm writing today to protest the eventual discovery of the Tacoma Behavioral Health Hospital (TBHH), of Signature Health Care, to occupy the location at on South Proctor.

While the Hearing Examiner approved the program, nobody didn't allow it.

Now a temporary glimpse in TMC means the facility can be built.


The number of votes, Mr. Blocker, that you'd represented in your December 17 assessment means that protecting residents from more than one health community services in one City is regrettable.

Earlier last year, I found it satisfying that Pierce County Superior Court judge found an old document, from 1945, which stated the property across the street from Allenmore was to be held for residents only. That was a very proud day!

In this case, the little slip of paper—TMC—is working against us.

I ask again, Madame Mayor and Mr. Blocker, to prevent the facility.

Sincerely,


Charles Mann

From: Charles Mann <bluetape.zipties2@gmail.com>
Sent: Wednesday, March 18, 2020 9:04 AM
To: City Clerk's Office
Subject: Re-write my letter of protest for yesterday City Council meeting, Res 20-0022
Attachments: 20200317_CityCouncil-vs-TBHH-protest.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Good morning:

The end of January I suffered a stroke. I don't have any particular effect, no paralysis or ability to move my body. It affected my speech and writing. I have what is called "aphasia," my ability to harness my words carefully.

Last night, at the time I was writing my letter, I didn't have the ability to let my wife look it over.

This morning, my wife looked it over and made several corrections.

Can you please substitute my more current protest letter for the one submitted yesterday?

Thank you.

Sincerely,

Charles Mann

We can weave from common threads a world of strength & beauty.

2145 South L Street
Tacoma, Washington 98405

Resolution 20-0222

City Council
City of Tacoma
747 Market Street
Tacoma, Washington 98402

Dear Mayor, Deputy Mayor Blocker and other interested persons:

I'm writing today to protest the eventual discovery of the Tacoma Behavioral Health Hospital (TBHH), of Signature Health Care, to occupy the location on South Proctor.

While the Hearing Examiner approved the program, City Council didn't allow it.

Now a temporary error in TMC means the facility can be built.

Your attack, Mr. Blocker, on December 17 resonated clearly that too many behavioral health hospitals in Tacoma on one block of S 19th Street was something your convinced City Council.

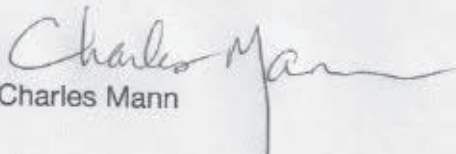
Regrettably, the mix of behavioral health hospital throughout Washington is distressing low. But this facility could not resume Washington or Pierce County many issues regarding proper mental health servicing.

Earlier last year, I found it satisfying that a Pierce County Superior Court judge found an old document, from 1945, which stated the property across the street from Allenmore was to be held for *residents* only. That would prevent the building of a CubeSmart rental facility. That was a very proud day!

In this case, TMC is working against us.

I ask again, Madame Mayor and Mr. Blocker, to prevent the facility.

Sincerely,


Charles Mann

Open-Access Network -Definition

In an open-access network (OAN), the owner or manager of the network does not supply services for the network; these services must be supplied by separate retail service providers.

"Open Access" refers to a specialized and focused business model, in which a network infrastructure provider limits its activities to a fixed set of value layers in order to avoid conflicts of interest.

The network infrastructure provider creates an open market and a platform for internet service providers (ISPs) to add value. The Open Access provider remains neutral and independent and offers standard and transparent pricing to ISPs on its network. It never competes with the ISPs.

https://en.m.wikipedia.org/wiki/Open-access_network

From: Paul Chromey <pchrmy@gmail.com>
Sent: Tuesday, March 17, 2020 3:10 PM
To: City Clerk's Office
Subject: Council Meeting/Written Form

Follow Up Flag: Follow up
Flag Status: Flagged

Afternoon City Clerk: This is my written form for Tacoma City Council Meeting March 17th 2020.

CITIZEN FORUM

September 2015 our Pak-Yak Safe Streets and CLO Lopez formed a plan to improve the 72nd Pacific Ave area, (72nd Pacific Ave area being a four square block area). Since January 1st 2018 thru December 31st 2019 we have been able to reduce calls for service by 20 percent. This huge improvement, has accomplished a much Safer Neighborhood. And Surrounding Neighborhoods. I would like to THANK our Tacoma Police Department, CLOs, Lieutenant Darlington and Lt.Scripps; Tacoma Fire Department, Linda Stewart and her staff with Neighborhood Community Services, City Manager Office and Warren Bucoda, Kurt Kingsolver and his staff with Traffic Engineering, Corey Newton and his staff with City Permit Planning, Jeff Robinson from Economic Development Office. Jeff has been working hard to promote this area for more commercial development. Environmental Services. Debra Casparian Deputy City Attorney and Danille Larson City tax License, both these women have fought hard to help keep this area safe. Council Member Beale and Council Member Hunter for their strong support.

Our Safe Streets Neighborhoods and Safe Streets Business Group Managers will continue to work hard to improve this area even more. We have been working with City Traffic Engineering on pedestrian and vehicle safety. Our goal: Zero car/pedestrian accidents. Zero vehicle accidents. We continue to work with TPD and the CLOs to further reduce crime in this area. And we continue to use the 311 system too.

I sincerely appreciate the hard work from all City of Tacoma Staff Members. Paul Chromey Safe Streets Volunteer

From: Chris Harris <crashthecymbals@gmail.com>
Sent: Tuesday, March 17, 2020 3:04 PM
To: City Clerk's Office
Subject: 25.08.500 - Public disturbance noises modify

Follow Up Flag: Follow up
Flag Status: Flagged

Hello,

My name is Chris Harris and I want to modify this ordinance code 25.08.500 to be changed.

I would like section D on this code to be recreational use of musical instruments. I am a professional/working musician that practices drums, hold studio session, and band rehearsals in my house. I've install sound dampening curtain, foam panels, large rectangle sound boards to combat the loudness (which for over a year now) has been great. I have an agreed schedule with my neighbors to play at certain time and for how long to make thing work for everyone.

D. Loud or raucous, and frequent, repetitive, or continuous sounds created by use of a musical instrument, or other device capable of producing sound when struck by an object, a whistle, or a sound amplifier or other device capable of producing, amplifying, or reproducing sound;

--

Thank you,

Chris Harris

Cell: [253-883-9449](tel:253-883-9449)

From: Kit Burns <kburns.wcb@gmail.com>
Sent: Friday, March 20, 2020 10:31 AM
To: Pauli, Elizabeth; Woodards, Victoria
Cc: Flowers, Jackie; Tacoma Public Utility Board; Jacobs, Charleen
Subject: Kit Burns - A Financial Analysis of the Click Transaction
Attachments: 2020-0320-CityTacoma Kburns EPauli.pdf

Dear Ms Pauli,

The City will lose money if the BTA Business and IRU Indefeasible Right of Use are executed. This will not be sustainable. It will result in a loss to the City and its Citizens.

We need more time to evaluate and verify if this true. Per the 11/5 2019 meeting, the time to finalize the agreement might be as long as 180 days. That would be May 5th.

The \$2.5 million will not pay for the \$202 million investment that has been paid for by the ratepayers.

The loss of \$800,000 gross earning tax and another \$1,300,000 from Click's General Government revenue simply means we net \$400,000. We have additional costs associated with the transaction and will lose on the deal year after year.

I would like to see that a complete, open transparent evaluation has been made and that the agreement is for "the fair market value" of the \$202 million asset that is the Click Fiber. I am sure the PUB and the City Council will agree that is prudent to be able to show the benefit. If a financial analysis is available great. If not, we need to see that one is made.

Click generates more than \$26.5 million dollars for TPU every year. It can be shown that it generates profits. It saves everyone in Tacoma more than \$12 million a year with competitive pricing.

The City of Chattanooga captures \$31 million from their Network. We can do that too. We need to look at the serious need we have today. Will we all be at home for the next 12 weeks or the next 12 months.

I have suggested that Click is capable of providing broadband internet access to every student in Tacoma. That is for all schools and Universities. And it can be done immediately. This is now critical.

A financial analysis must be made and I hope exists. I have asked the TPU Board and the City Council, the Mayor, the City Attorney to confirm that the transaction is based on a financial analysis of the CLICK! NETWORK asset.

A PDR that I made says that there NO RECORDS EXIST. That doesn't seem right.

There are many aspects to this that I am prepared to share and discuss with you and others. Could we have a "Zoom" meeting later this afternoon or maybe first thing Monday?

I can send an invite to your and others if everyone will load the app on to their computer. Let me know. Thanks!

Please review the attachment.
Feel free to text me on my cell phone.

Kit Burns
253.820.7392
kburns.wcb@gmail.com

--

Kit Burns
PO Box 2341
Tacoma, WA 98401

"We the people of the United States, in order to form a more perfect union, establish justice, insure

domestic tranquility,....., promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America. . . "

Request Type: Public Records Request

Description: The City of Tacoma WA provides access to public records in compliance with applicable laws and statutes of the State of Washington. In accordance with the public records law, the City has five business days to respond to a request for public records.

Contact E-Mail: kburns.web@gmail.com

Reference No: T004114-122019

Status: No Records Exist

Describe the Record(s) Requested: Please provide information which was used to determine and set the valuation as reasonable for compensation of the Click! Network at \$2.5 million plus \$1.5 million annually for TPU/City of Tacoma. Documentation used to determine and set this value; related documentation supporting that determination. Correspondence and emails discussing cost proposals between TPU, City of Tacoma, and Rainier/Mashell related entities. Please related documents used to determine the value of the "surplussed" network items. This includes all calculations determining and setting the value for the 1,428 miles of fiber and hfc cabling, the value set for the dark fiber, the value of the actual Click Network, as well as hardware and electronics being surplussed, and the calculations or similar related reports assessing the effect of the loss of the current \$25 million or greater annual network income. If you have any questions, need clarifications, or would like to discuss and scope questions you may have, please call or text Kit Burns 253.820.7392 Address Field: PO Box 2341, Tacoma, WA 98401 Date from: 1/1/2018 Date to: 9/30/2019 Email Search Keyword: financial report, assessed evaluation, negotiation, annual fee, compensation, value of Click! Network Preferred Method to Receive Records: Electronic via Request Center

A brief description of your records request is required in this text box. Failure to provide specific information will result in the delay of fulfilling your request. Please provide all information you have concerning your

request. You may also provide additional information in an attachment below.

Address Field: PO Box 2341, Tacoma, WA 98401

Date from: 1/1/2018

Date to: 9/30/2019



TO: Elizabeth Pauli, City Manager
FROM: Chris Bacha, Chief Deputy City Attorney, City Attorney's Office
William Fosbre, City Attorney, City Attorney's Office
COPY: City Council and City Clerk
SUBJECT: Resolution - Recommending approval of the Click! Business Transaction Agreement and authorizing the Mayor to execute the Indefeasible Right of Use Agreement – November 5, 2019
DATE: October 25, 2019

SUMMARY:

A resolution approving the Click! Business Transaction Agreement and authorizing the Mayor to execute the Indefeasible Right of Use Agreement with Rainier Connect upon joint determination by the City Manager and Public Utilities Director that the conditions precedent to transfer of operational control have been met.

STRATEGIC POLICY PRIORITY:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

Approval of this action will allow use of the excess capacity of the HFC Network and ownership of related inventory, equipment and vehicles to be transferred to Rainier Connect through the Click! Business Transaction Agreement and Indefeasible Right of Use Agreement that will, among other things; continue use of the Click! Network to provide cable, video and broadband internet access to families and businesses in Tacoma; maintain ownership of the Click! Network; require private capital to be used to operate, maintain and upgrade the network to one gigabit speeds in competition with other providers; ensure that such services are provided in an equitable manner with like services and prices throughout the City; and, provide for reduced-cost internet access under the federal lifeline subsidy and to households eligible for TPU's electric service low-income program.

BACKGROUND:

Tacoma Power, under the tradename "Click! Network", began operating the cable system in 1998 providing cable television and wholesale cable modem (internet access services). Since that time technology and consumer demands have changed and operational costs for the Click! Network have significantly increased. The Click! Network business model has become outdated as consumers have shifted from predominantly consuming cable programming services to cable modem services. Click! Network has been unable to respond quickly or efficiently to changes in the market place and does not have the capacity to make capital investments necessary to upgrade the network and compete with the private sector. In response to these challenges, the Public Utility Board ("PUB"), in 2009, began to study alternative Click! Network business models and, after many years of study, the PUB in collaboration with the City Council retained the services of CTC Technology & Energy ("CTC") to assist in this analysis. In January 2018 at a joint study session of the PUB and City Council, CTC presented its report examining which of the following five alternative business models would best meet 12 Click! Network policy goals later adopted by the PUB and City Council:

- Continue finding ways to reduce costs and streamline operations
- Become a retail internet service provider (ISP) and potentially eliminate cable TV operations



- Upgrade the Click network to fiber-to-the-premises in an effort to better compete with incumbents in the market
- Cease internet and cable operations and abandon the related parts of the network
- Seek a partner willing to take on operating and other obligations and costs while agreeing to conditions that would preserve Click's significant policy achievements.

CTC reported that the 12 policy goals could best be met through a business model in which the City retained ownership of the entire HFC Network, including the Click! Commercial Network, with a third party providing Cable TV and/or internet access services and covering the capital and operating costs associated with providing those services. Under this model, Tacoma Power would no longer provide cable television or wholesale internet access services, and the third party would provide Cable TV, video and broadband internet access services directly to the public.

In January 2018, based upon the CTC report and years of study of multiple business models, the PUB pursuant to Resolution No. U-10988 and City Council pursuant to Resolution No. 39930 formally approved the 12 policy goals for Click! Network and directed the Public Utilities Director and City Manager to work jointly with CTC to issue a request for information, qualifications or proposals and examine the extent to which the 12 community policy goals could be achieved through collaboration and restructuring of Click!. At the August 21, 2018 Joint PUB and City Council study session CTC recommended that the PUB and City Council authorize negotiation of term sheets with Rainier Connect and Wave Broadband. The term sheets were presented by CTC to the PUB and City Council at the March 5, 2019 joint PUB and City Council study session and the recommendation was made to engage in contract negotiations with Rainier Connect based upon the term sheet agreed to by Rainier Connect pursuant to a letter of intent. Negotiations commenced in April and the Click! Business Transaction Agreement is now complete. On October 30, 2019, the PUB adopted Resolution U-11116, approving the Click! Business Transaction Agreement conditioned upon approval by the City Council.

This agreement establishes a transition period during which Rainier Connect and Tacoma Power will commit to meet certain obligations as a condition precedent to the execution of the Indefeasible Right of Use (IRU) Agreement. It is anticipated that it will take a minimum of 90 days, and could be as long as 180 days, before operating control will be transferred Rainier Connect once the Click! Business Transition Agreement is approved and executed. Tacoma Power will continue to operate Click! Network during this transition period. If Rainier Connect and the City Manager and Utilities Director determine that the conditions precedent are met, the IRU will be executed by Rainier Connect and by the Mayor on behalf of the City. Upon the effective date of the IRU, operating control over the Click! Network will be transferred to Rainier Connect at which time Tacoma Power will cease Click! Network operations and services over the network and Rainier Connect will commence providing cable, video and broadband internet access services for and on behalf of Rainier Connect pursuant to the terms and conditions of the IRU.

ISSUE:

Whether the Click! Business Transition Agreement should be approved.

ALTERNATIVES:

If the resolution is not approved operational control of Click! Network cannot be transferred to Rainier Connect and Tacoma Power will continue to operate the Click! Network under the current business model; however, this business model is not sustainable and Tacoma Power in the near future will face the choice of reducing or eliminating services.

**RECOMMENDATION:**

Staff's recommendation is to approve the Click! Business Transaction Agreement and authorize the Mayor to execute the Indefeasible Right of Use Agreement.

FISCAL IMPACT:

If operating control is transferred to Rainier Connect, Click! Network will cease all business operations and services, resulting in a loss of all Click! Network gross revenues and a corresponding elimination of all operating costs and expenses attributed to Click! Network. Tacoma Power will receive additional revenues from Rainier Connect of \$2,500,000 for year 1, \$2,625,000 for year 2, \$2,750,000 for year 3, \$2,875,000 for year 4, \$3,000,000 for year 5, and for each year after year 5, the annual payment will increase to reflect the Consumer Price Index Increase. These revenues will be subject to the gross earnings tax. The loss of gross earnings tax assessed upon operating revenues will be partially offset by the assessment of utility tax upon gross revenues of Rainier Connect derived from services provided within the City Limits. The City will no longer be able to collect gross earnings tax or utility tax on services provided outside of the City Limits or from earnings from wholesale subscription internet access services, fixed fiber optic broadband transport, and internet access services. Assuming that Click! Network would have no change in subscribers and would have continued to operate and generate revenues, the net loss of gross earnings tax is estimated to be in the range of \$700,000 - \$800,000 annually.

\$800,000

ALSO LOSS OF APROX.
\$1.35 MILLION ANNUALLY
TO GENERAL GOVERNMENT
FUNDS.

**\$ 2.1 MILLION LOSS
FISCAL IMPACT.**

ANNUAL LOSS FROM SALE

GENERAL GOVERNMENT INCOME

Click! "Assessments" for 2017-2018
Total Over \$2.7 Million

Biennium

Biennium Budget Actual Remaining Total % Spent

Assessments	\$2,911,601	\$2,767,613	\$143,987	95.1%
5210010 Telecom Shared Cost	\$2,201	\$2,192	\$9	99.6%
5390011 Service Desk Support	\$49,296	\$48,105	\$1,191	97.6%
5390012 Int-Desktop Support from IO	\$190,097	\$187,058	\$3,039	98.4%
5950015 Assmt-Human SrvsPng	\$25,561	\$19,559	\$6,002	76.5%
5950139 Assmt-Dir Off Direct	\$138,479	\$143,409	(\$4,930)	103.6%
5950140 Assmt-Pub Util Board	\$5,750	\$5,059	\$691	88.0%
5950142 Assmt-Econ Develop	\$9,800	\$0	\$9,800	0.0%
5950162 Assmt-Copy Center	\$38,989	\$26,398	\$12,591	67.7%
5950163 Assmt-TPU MSO	\$168,597	\$147,083	\$21,514	87.2%
5950171 Assmt-TPU Rcd Mgt	\$95,609	\$59,245	\$36,364	62.0%
5950266 Assmt-Mail Dir Exp	\$83,551	\$78,008	\$5,543	93.4%
5950289 Assmt-IT Network Svc	\$548,308	\$548,308	\$0	100.0%
5950316 Assmt-IT DatabaseAdm	\$2,062	\$2,062	\$0	100.0%
5950340 Assmt IT SAP WMS	\$57,910	\$57,910	(\$0)	100.0%
5950342 Assmt-IT SAP HRMS	\$122,347	\$122,348	(\$1)	100.0%
5950343 Assmt-IT SAP FMAS	\$116,507	\$116,517	(\$10)	100.0%
5950353 Assmt-Cust Serv (IT)	\$1,413	\$1,413	\$0	100.0%
5950354 Assmt-TPU WMS (IT)	\$14,714	\$10,754	\$3,960	73.1%
5950356 Assmt-TPU Pub Affair	\$205,593	\$159,961	\$45,632	77.8%
5950365 Assmt-CS Switchboard	\$10,327	\$7,833	\$2,494	75.8%
5950376 Assmt-Utility Acctg	\$270,952	\$270,952	\$0	100.0%
5950385 Assmt-HR TPU Ded	\$46,793	\$46,791	\$2	100.0%
5950390 Assmt-Fin Payroll Op	\$32,220	\$32,220	(\$0)	100.0%
5950391 Assmt-CMO EQ Hum Rgh	\$8,906	\$8,906	(\$0)	100.0%
5950393 Assmt-Offc Mgmt Bud	\$5,728	\$5,728	(\$0)	100.0%
5950394 Assmt-OMB Cont Imp	\$1,894	\$1,894	\$0	100.0%
5950395 Assmt-Human Rsres	\$241,857	\$241,905	(\$48)	100.0%
5950396 Assmt-CMO Gov Rel	\$6,443	\$6,357	\$86	98.7%
5950397 Assmt-City Council	\$12,127	\$12,126	\$0	100.0%
5950398 Assmt-City Manager	\$7,528	\$7,528	\$0	100.0%
5950399 Assmt-CAO Civil	\$188,277	\$188,277	\$0	100.0%
5950401 Assmt-City Clerk	\$5,124	\$5,124	\$0	100.0%
5950403 Assmt-Fin Admin	\$37,103	\$37,103	\$0	100.0%
5950404 Assmt-Fin Sys Supp	\$26,819	\$26,818	\$1	100.0%
5950406 Assmt-Fin Purchasing	\$30,987	\$30,929	\$58	99.8%
5950407 Assmt-Fin AP Srvcs	\$66,605	\$66,605	\$0	100.0%
5950410 Assmt-Fin Investment	\$1,181	\$1,184	(\$4)	100.3%
5950412 Assmt-Fin P-Cards	\$33,946	\$33,946	\$0	100.0%

	Year	Gross Revenue	Telecommunication Expense	Income Revenue
5	2001	\$9,457,367	\$8,884,598	\$572,769
6	2002	\$10,182,219	\$8,513,413	\$1,668,806
7	2003	\$13,213,334	\$11,283,715	\$1,929,619
8	2004	\$14,513,793	\$12,199,073	\$2,314,720
9	2005	\$16,368,333	\$13,141,157	\$3,227,176
10	2006	\$17,962,135	\$14,572,399	\$3,389,736
11	2007	\$20,087,680	\$16,725,438	\$3,362,242
12	2008	\$21,318,498	\$17,886,153	\$3,432,345
13	2009	\$22,176,317	\$18,089,160	\$4,087,157
14	2010	\$23,787,219	\$17,850,999	\$5,936,220
15	2011	\$24,103,393	\$18,531,509	\$5,571,884
16	2012	\$24,895,334	\$18,717,683	\$6,177,651
17	2013	\$26,285,369	\$18,863,702	\$7,421,667
18	2014	\$27,150,566	\$19,631,153	\$7,519,413
19	2015	\$27,256,718	\$25,304,001	\$1,952,717
20	2016	\$26,674,906	\$25,309,470	\$1,365,436
21	2017	\$26,519,861	\$26,059,166	\$460,695
22	2018	\$25,358,403	\$22,791,699	\$2,566,704

Earnings Before Interest, Taxes, Depreciation and Amortization – **EBITDA**. ... **EBITDA**, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance

Gross Revenue

\$377,311,445

\$314,354,488

Telecom Expense

**Average Annual Revenue over 2016-2018
= \$26,540,970**

Department of Public Utilities Activity	Tax Rate
Power Division	7.5%
Cable Television	8%
Water and Rail Systems	8%

Broadband Taxed as Utility

7.5% Tacoma Utilities
Gross Earning Tax is
Paid to City of Tacoma
on Broadband Revenue

2018 Month	TACOMA CATV REVENUE	TOTAL CATV REVENUE	TACOMA BroadBand REVENUE	GROSS EARNINGS TAX 8%	TACOMA FRANCHISE FEE 5%	TACOMA P.E.G. Fee 1%	GROSS EARNINGS TAX 7.5%	Total Taxes
January	1,140,714.97	1,431,421.25	700,067.64	114,513.70	57,035.75	11,407.15	52,505.07	235,461.67
February	1,130,173.92	1,421,390.40	699,783.26	113,711.23	56,508.70	11,301.74	52,483.74	234,005.41
March	1,168,449.06	1,471,028.85	703,894.40	117,682.31	58,422.45	11,684.49	52,792.08	240,581.33
April	1,113,432.02	1,399,888.78	696,299.76	111,991.10	55,671.60	11,134.32	52,222.48	231,019.50
May	1,140,068.45	1,424,366.84	706,928.02	113,949.35	57,003.42	11,400.68	53,019.60	235,373.05
June	1,077,906.29	1,350,419.67	703,665.27	108,033.57	53,895.31	10,779.06	52,774.90	225,482.84
July	1,135,513.59	1,426,190.21	702,165.14	114,095.22	56,775.68	11,355.14	52,662.39	234,888.41
August	1,092,341.45	1,372,958.52	698,624.15	109,836.68	54,617.07	10,923.41	52,396.81	227,773.97
September	1,062,114.33	1,335,948.06	702,974.92	106,875.84	53,105.72	10,621.14	52,723.12	223,325.82
October	1,103,895.21	1,385,088.54	697,295.75	110,807.08	55,194.76	11,038.95	52,297.18	229,337.97
November	1,069,017.79	1,338,002.74	698,810.78	107,040.22	53,450.89	10,690.18	52,410.81	223,592.10
December	1,090,564.31	1,365,110.77	685,704.43	109,208.86	54,528.22	10,905.64	51,427.83	226,070.55

13,324,191.39 16,721,814.63 8,396,213.52 1,337,745.17 666,209.57 133,241.91 629,716.01 2,766,912.61

Click! "Assessments" for 2017-2018
Total Over \$2.7 Million

Biennium

Biennium Budget Actual Remaining Total % Spent

Assessments	\$2,911,601	\$2,767,613	\$143,987	95.1%
5210010 Telecom Shared Cost	\$2,201	\$2,192	\$9	99.6%
5390011 Service Desk Support	\$49,296	\$48,105	\$1,191	97.6%
5390012 Int-Desktop Support from IO	\$190,097	\$187,058	\$3,039	98.4%
5950015 Assmt-Human SrvcPlng	\$25,561	\$19,559	\$6,002	76.5%
5950139 Assmt-Dir Off Direct	\$138,479	\$143,409	(\$4,930)	103.6%
5950140 Assmt-Pub Util Board	\$5,750	\$5,059	\$691	88.0%
5950142 Assmt-Econ Develop	\$9,800	\$0	\$9,800	0.0%
5950162 Assmt-Copy Center	\$38,989	\$26,398	\$12,591	67.7%
5950163 Assmt-TPU MSO	\$168,597	\$147,083	\$21,514	87.2%
5950171 Assmt-TPU Rcd Mgt	\$95,609	\$59,245	\$36,364	62.0%
5950266 Assmt-Mail Dir Exp	\$83,551	\$78,008	\$5,543	93.4%
5950289 Assmt-IT Network Svc	\$548,308	\$548,308	\$0	100.0%
5950316 Assmt-IT DatabaseAdm	\$2,062	\$2,062	\$0	100.0%
5950340 Assmt IT SAP WMS	\$57,910	\$57,910	(\$0)	100.0%
5950342 Assmt-IT SAP HRMS	\$122,347	\$122,348	(\$1)	100.0%
5950343 Assmt-IT SAP FMAS	\$116,507	\$116,517	(\$10)	100.0%
5950353 Assmt-Cust Serv (IT)	\$1,413	\$1,413	\$0	100.0%
5950354 Assmt-TPU WMS (IT)	\$14,714	\$10,754	\$3,960	73.1%
5950356 Assmt-TPU Pub Affair	\$205,593	\$159,961	\$45,632	77.8%
5950365 Assmt-CS Switchboard	\$10,327	\$7,833	\$2,494	75.8%
5950376 Assmt-Utility Acctg	\$270,952	\$270,952	\$0	100.0%
5950385 Assmt-HR TPU Ded	\$46,793	\$46,791	\$2	100.0%
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5950393 Assmt-Offc Mgmt Bud	\$5,728	\$5,728	(\$0)	100.0%
5950394 Assmt-OMB Cont Imp	\$1,894	\$1,894	\$0	100.0%
5950395 Assmt-Human Rsrcs	\$241,857	\$241,905	(\$48)	100.0%
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5950410 Assmt-Fin Investment	\$1,181	\$1,184	(\$4)	100.3%
5950412 Assmt-Fin P-Cards	\$33,946	\$33,946	\$0	100.0%

2011 and 2012

Significant Risks and Uncertainties - The Division is subject to certain business risks that could have a material impact on future operations and financial performance. These risks include, but are not limited to, water conditions, weather and natural disaster-related disruptions, collective bargaining labor disputes, fish and other endangered species act issues, Environmental Protection Agency regulations, federal government regulations or orders concerning the operation, maintenance and/or licensing of facilities.

Reclassifications - Changes have been made to prior year account classifications as needed to conform to the current year presentation format. Such changes did not affect net position for the year.

NOTE 3 - UTILITY PLANT

A summary of the balances and changes in utility plant for 2012 and 2011 follows:

	Balance December 31, 2011	Additions	Retirements	Transfers & Adjustments	Balance December 31, 2012
Intangible Plant	\$ 39,747,819	\$ -	\$ -	\$ (93,559)	\$ 39,654,260
Hydraulic Production Plant	471,370,094	22,919,843	(592,443)	-	493,697,494
Transmission Plant	188,253,146	6,360,206	(12,421)	-	194,600,931
Distribution Plant	536,284,302	28,921,785	(814,672)	(50)	564,391,365
Regional Transmission	7,503,042	1,316,740	-	-	8,819,782
General Plant	185,874,267	4,384,267	(53,494)	(183,466)	190,021,574
Telecommunications Plant	201,276,231	5,214,062	(5,568,255)	-	200,922,038
Total Utility Plant In Service	1,630,308,901	69,110,903	(1,041,285)	(277,075)	1,692,107,444
Less Accumulated Depreciation	734,811,431	57,842,109	(6,946,285)	(1,803,211)	783,904,044
	895,497,470	11,274,794	(95,000)	1,526,136	908,203,400
Construction Work In Progress	49,472,408	65,305,443	-	(68,839,828)	45,938,023
Net Utility Plant	\$ 944,969,878	\$ 76,580,237	\$ (95,000)	\$ (67,313,692)	\$ 954,141,423

	Balance December 31, 2010	Additions	Retirements	Transfers & Adjustments	Balance December 31, 2011
Intangible Plant	\$ 36,677,947	\$ 3,069,872	\$ -	\$ -	\$ 39,747,819
Hydraulic Production Plant	453,365,341	18,019,253	(14,500)	-	471,370,094
Transmission Plant	169,266,706	19,093,643	(107,203)	-	188,253,146
Distribution Plant	523,767,677	14,560,471	(2,043,846)	-	536,284,302
Regional Transmission	5,115,173	2,387,869	-	-	7,503,042
General Plant	182,507,940	3,579,460	(7,144)	(205,989)	185,874,267
Telecommunications Plant	200,289,071	2,254,862	(1,267,702)	-	201,276,231
Total Utility Plant In Service	1,570,989,855	62,965,430	(3,440,395)	(205,989)	1,630,308,901
Less Accumulated Depreciation	683,509,068	56,555,538	(3,440,395)	(1,812,780)	734,811,431
	887,480,787	6,409,892	-	1,606,791	895,497,470
Construction Work In Progress	46,316,094	62,538,534	-	(59,382,220)	49,472,408
Net Utility Plant	\$ 933,796,881	\$ 68,948,426	\$ -	\$ (57,775,429)	\$ 944,969,878

Utility Plant includes non-depreciable assets of \$74,779,420 for 2012 and \$69,952,380 for 2011.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
OPERATIONAL SUMMARY

	DECEMBER 2014	DECEMBER 2013	DECEMBER 2012	DECEMBER 2011	DECEMBER 31, 2010	DECEMBER 31, 2009	DECEMBER 2008
Telecommunications Revenue							
CATV	\$ 19,836,525	\$ 19,496,123	\$ 18,428,986	\$ 17,831,086	\$ 17,723,146	\$ 16,290,075	\$ 14,235,013
Broadband	1,109,326	1,140,453	1,365,550	1,337,371	1,162,320	1,294,120	1,180,523
ISP	5,987,698	5,419,161	4,980,979	4,807,300	4,708,657	4,433,807	4,220,760
Interdepartmental	217,017	229,632	119,819	127,636	193,096	158,315	161,987
Miscellaneous							1,520,215
Total Revenue	27,150,566	26,285,389	24,895,334	24,103,393	23,787,219	22,176,317	21,318,498
Telecommunications Expense-Commercial							
Administration & Sales Expense							
Salaries & Wages Expense	2,906,826	2,847,120	2,783,332	2,856,808	2,863,907	2,796,320	2,883,927
General	421,514	699,244	519,998	544,502	611,772	588,560	983,141
Contract Services	12,643,254	11,900,808	12,085,480	11,813,162	11,444,321	11,548,988	11,393,062
IS & Intergovernmental Services	710,113	631,385	617,102	674,018	536,041	498,473	511,068
Fleet Services	12,647	11,049	6,514	8,333	6,607	6,847	18,420
Capitalized A&G Expense	(62,533)	(120,491)	(206,323)	(217,616)	(697,429)	(420,253)	(308,686)
Total Administration & Sales	16,631,821	15,969,115	15,806,103	15,679,207	14,765,219	15,018,935	15,480,932
Operations & Maintenance Expense							
Salaries & Wages Expense	2,577,896	2,435,321	2,546,816	2,564,034	2,640,334	2,544,861	1,958,078
General	231,978	176,640	192,711	195,718	258,019	303,608	297,904
Contract Services	126,176	249,960	199,040	114,418	279,047	549,986	358,895
IS & Intergovernmental Services	25,198	25,915	34,007	22,391	29,097	39,518	30,210
Fleet Services	144,767	133,794	134,470	148,247	122,409	113,006	117,396
New Connect Capital	(106,683)	(127,043)	(195,464)	(192,506)	(243,126)	(480,954)	(357,262)
Total Operations & Maintenance	2,999,332	2,894,587	2,911,580	2,852,302	3,085,780	3,070,225	2,405,221
Total Telecommunications Expense	19,631,153	18,863,702	18,717,683	18,531,509	17,850,999	18,089,160	17,886,153
Net Revenues Before Taxes and Depreciation	7,519,413	7,421,687	6,177,651	5,571,884	5,936,220	4,087,157	3,432,345
Taxes	3,796,690	3,874,803	3,624,108	3,475,502	3,394,835	3,113,886	2,978,556
Depreciation and Amortization	5,128,915	5,209,048	5,870,860	6,042,133	4,088,620	4,394,826	4,153,108
Total Taxes & Depreciation	8,925,605	9,083,851	9,494,968	9,517,635	7,483,455	7,508,712	7,131,664
Net Revenues (Expenses)	\$ (1,406,192)	\$ (1,662,164)	\$ (3,317,317)	\$ (3,945,751)	\$ (1,547,235)	\$ (3,421,555)	\$ (3,699,319)

\$49,626,702

\$49,626,702
depreciation

The depreciation and amortization is not a real cost. It is used for accounting purposes. In the case of a private business it is used to lower the taxes paid for the company. It is a non-cost, no cash expended accounting procedure. - Kit Burns

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
OPERATIONAL SUMMARY

	DECEMBER 2007	DECEMBER 2006	DECEMBER 2005	DECEMBER 2004
Telecommunications Revenue				
CATV	\$ 13,307,199	\$ 12,384,419	\$ 11,648,785	\$ 10,819,421
Broadband	1,209,956	897,353	750,621	727,199
ISP	4,315,660	3,625,165	3,105,832	2,479,302
Interdepartmental	159,160	168,156	220,140	149,800
Miscellaneous	1,095,705	887,042	642,955	338,071
Total Revenue	20,087,680	17,962,135	16,368,333	14,513,793
Telecommunications Expense-Commercial				
Administration & Sales Expense				
Salaries & Wages Expense	2,754,301	2,782,259	2,569,960	2,388,254
General	721,272	456,249	827,764	1,143,621
Contract Services	10,502,700	9,517,660	8,202,025	7,511,484
IS & Intergovernmental Services	567,579	217,469	268,598	208,535
Fleet Services	25,102	27,065	22,734	11,199
Capitalized A&G Expense	(117,662)	(359,970)	(305,320)	(419,789)
Total Administration & Sales	14,453,292	12,640,732	11,585,761	10,843,304
Operations & Maintenance Expense				
Salaries & Wages Expense	1,893,140	1,647,746	1,466,132	1,224,764
General	280,322	264,043	292,464	248,440
Contract Services	305,886	282,614	202,659	153,545
IS & Intergovernmental Services	34,976	62,229	64,137	48,520
Fleet Services	127,134	104,728	112,011	53,141
New Connect Capital	(369,312)	(429,693)	(582,017)	(372,641)
Total Operations & Maintenance	2,272,146	1,931,667	1,555,386	1,355,769
Total Telecommunications Expense	16,725,438	14,572,399	13,141,147	12,199,073
Revenues Before Taxes and Depreciation	3,362,242	3,389,736	3,227,186	2,314,720
Taxes	2,680,519	2,538,569	2,282,193	2,003,979
Depreciation and Amortization	3,403,439	3,730,000	4,432,019	3,173,734
Total Taxes & Depreciation	6,083,958	6,268,569	6,714,212	5,177,713
Revenues (Expenses)	\$ (2,721,716)	\$ (2,878,833)	\$ (3,487,026)	\$ (2,862,993)

OCTOBER 2010
NO DEBT.

Strategic Considerations

This report is suggesting that Click! makes some significant changes to the way you do business. This section will look at a few of the major issues in more depth.

A. Competition with ISPs

This report recommends very strongly that Click! compete with your own high-speed data product. Today this is all done through the ISPs on a wholesale basis. It is my belief that if Click! is unwilling to offer a retail data product that you should consider selling the Company. The wholesale model is clearly not working. Both Click! and the ISPs have been stagnant for nearly three years in terms of the number of customers served. During those three years there has been significant growth in the market for high-speed Internet penetrations that have grown nationwide from 45% to 65%. Click! has missed out on that growth with the current model.

Click! faces a dilemma in that any competition model might have a negative impact on the ISPs. It is my impression that they are fragile companies who could not withstand a great amount of competition. So the question that is raised is how Click! can compete with the ISPs and still maintain the wholesale business plan. There are a number of different ways that Click! can approach the introduction of competition. Let's examine the pros and cons of each option.

1. Buy One or More of the ISPs

One way to enter the market and not to compete with the ISPs is to buy them out. It is certainly possible that when you notify the ISPs that you are entering the retail data market that one or more of them might prefer to sell their Company to you rather than compete against you. Each of the three ISPs has roughly 8,000 retail customers, and so buying even one of them would give Click! a big jump start into the retail business.

One issue that has to be considered is how Click! might get the cash to buy these businesses. Probably in the past this could be done using reserves from Power, but that may no longer be an option. Click! is unique among municipal communications utilities in that it is debt free (I only know of one other municipal communications utility without debt). I would think that Click! could borrow the money, either by issuing bonds or by getting a commercial bank loan to buy out one or more of the ISPs. *

Another issue is to how to determine a fair price to pay for one of these companies. Before buying any individual ISP you will ask to see their books before making an offer. However, one can talk generically about how these kinds of businesses are valued in the market:

- Communications companies that provide service over their own network are more valuable than companies that use somebody else's network. Generally valuations in the communications industry are discussed in terms of multiples of earnings.

Click! Network is profitable for Tacoma Public Utilities

The Click! Network is a community asset making a \$7.5 million profit last year. It has created positive revenue and at no expense to rate payers. This is shown in TPU Operational Summary reports from 2004 through 2014.

CCG Consulting reported in their 2010 report on page 66 that "Click" is unique as it is 'debt free'. Click is actually paying the rate payers.

Think about it this way -

If Click didn't exist how would the operational reports from TPU read?

That's a good question.

Click's \$57 million profitable contribution to TPU from 2001 to 2014 would not exist.

Local jobs and salaries of more than \$28 million would not exist since 2004.
Not to mention the ISPs contributions to jobs and local economy.

Since 2004, over \$100 million dollars in cost savings for both Click and Comcast customers due to competitive rates for would not have been spent in the community; it would not have been invested in our schools, roads, parks, and local businesses. The \$100 million would have left the state permanently.

What is the annual savings for services for the last 14 years to the School District and inter-governmental agencies with the City's 134 iNet services connections?
What would have been the annual cost burden to the school district and governmental agencies if Click hadn't happened?

Why isn't this discussed as part of the equation of Click's value?

In all of the TPU slide presentations and all of the CCG reports these significant income, savings, and community benefits are not mentioned.

In the TPU annual reports, since 1997 through 2014, it is clear that Click! Network has created revenue and jobs for Tacoma Public Power.

Tacoma City Council has the opportunity to lead the nation by example. We can set local and national standards for the state and the nation. We can provide universal internet access, starting with students in school and widening service to the entire Tacoma Power Service area.

As a public policy, this is to commit to future economic growth, local jobs, universal access, and competitive pricing with savings to all of us. It is a key for a bright future.

The City Council should support this valuable asset and not give it as a gift to a private company. Tell them to ignore the false "Enron Economics" and "Arthur Anderson Accounting" that mislead the community with inaccuracies.

Recommendations for Public Policy regarding Click!

First is to re-commit "to being the most wired city in the Nation".

Second is to define "high-speed internet as 20 mbps" as low end of acceptable and make that the minimum speed for universal access. The commitment should include having the highest average speed in the nation and becoming the first city with universal broadband access.

Third is to provide universal high speed broad band to all Tacoma Power Customers within the current infrastructure of Click starting with families that have students in school. The requirement for qualifying should be simple.

This involves working with the ISPs to implement this program. The qualifying criteria could simply be qualification for the school lunch program –

Do you have students in school? If Yes. . then. .

Do you have access to the internet at home? If the answer is yes to the first question and no to the second - they qualify.

Fourth Next year, 2016, the process can begin for high speed Gigabit service to all businesses connections by directing Tacoma Power to include in the 2016 budget an upgrade for their backbone next year with DOCSIS 3.1.

The goal for minimum speed by 2025 for the Click! Network should be 1 Gig for homes. This will lay the ground and make Tacoma fertile for economic growth.

TPUs consultant said that Tacoma Power can make Gig Internet available for somewhere between \$2.5 and \$3.4 million. [page 6 in July 17, 2015 report].

Tacoma Power can afford this. This should make national news – we can lead the nation.

Fifth commit to local jobs by allowing the ISPs to continue to providing service, also commit to stable local jobs and prevent Click! From outsourcing work piecemeal to migratory contractors instead of supporting and building upon the local institutional knowledge base of Click! Employees.

Stable jobs are necessary for economic growth. Click employees are neighbors and taxpayers committed to Click! Network and to Tacoma.

They are real people, not just numbers, and are a part of our community.

The community should know that Click! Network is profitable.

Contact your City Council Member and tell them Click! Network needs to remain in the community. Write them and call them. Join us at the next City Council Meeting, December 15th, 5:00PM and give your input. Let's have a community discussion!

Kit Burns 253.820.7392 kburns.wcb@gmail.com

City of Tacoma & TPU
Guidelines and Processes for the Surplus Sale of Real Property

Surplus Sale of <u>Tacoma Public Utility</u> Real Property				
<ul style="list-style-type: none"> The Sale of Surplus <u>Tacoma Public Utility</u> Real Property requires the following: <ul style="list-style-type: none"> <u>Declaration of Surplus Required</u>: The Director of Utilities must certify that the property is surplus to the utilities' needs. <u>Bid-Sale or Negotiated Disposition or RFP</u>: The sale of the property will be by sale to the highest bidder at bid-sale, or via a negotiated disposition for fair market value, or by a request for proposal selection process. <u>Hearing Required</u>: The City Council must hold a public hearing concerning the sale of utility property. <u>Board and Council Approval</u>: The Public Utility Board and the City Council must approve the proposed sale. 				
No.	Step	Time (approx.)	Method of Notice	Applicable Law
1.	Property offered to all City and TPU Departments	2 wk	E-mail	N/A
2.	Director of Utilities Certifies Declaration of Surplus	1 wk	N/A	RCW 35.94.040 TMC 1.06.280
3.*	Notice of Surplus provided to External Government entities, Non-Profits, Neighborhood Groups, Adjacent Property Owners (300 feet), Surplus Website, and Registrants of Gov Delivery E-mail List Serve.	2 - 4 wk	E-mail & Website Mail only to adj. prop. owners	N/A
4.*	Conduct Bid-Sale <u>or</u> Negotiated Disposition <u>or</u> RFP	3 wk	<u>If Bid or RFP, then:</u> E-mail & Website Mail only to adj. prop. owners Property Posted Newspaper	TMC 1.06.280
5.	Public Utility Board Approves Declaration of Surplus, and Sale, and Recommends Council Approval	2 wk	Clerk of Board provides Public Notice	RCW 35.94.040
6.	Council Sets Hearing	3 wk	City Clerk provides Public Notice	Charter Sec. 9.1
7.	Council Holds Hearing	2 wk		TMC 1.06.280
8.	Council Approves Declaration of Surplus and Sale	1 wk		RCW 39.33.020
Total Approx. Time		16-18 wk		

***Notice may not be provided for unique negotiated dispositions including selling property to abutting owners.**

For All Surplus Sales:

- The Washington State Constitution prohibits the 'gifting' of property, except in cases where such gift(s) support the 'poor and infirm'. In all other cases, the City must receive fair market value for the property, or consideration commensurate with fair market value.

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