



## Legislation Passed August 1, 2017

The Tacoma City Council, at its regular City Council meeting of August 1, 2017, adopted the following resolutions and/or ordinances. The summary of the contents of said resolutions and/or ordinances are shown below. To view the full text of the document, click on the bookmark at the left of the page.

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### **Resolution No. 39770**

A resolution awarding a contract to Sargent Engineers Inc., in the amount of \$504,329, plus applicable sales tax, budgeted from the Public Works Street Fund, for professional services related to load ratings for all Tacoma bridges - Specification No. CT12-0001F. [Dan Soderlind, Project Manager; Kurtis D. Kingsolver, P.E., Director, Public Works]

### **Resolution No. 39771**

A resolution authorizing the execution of a Multi-Family Housing Eight-Year Limited Property Tax Exemption Agreement with Encompass Property Management, LLC, for the development of 12 multi-family market-rate housing units located at 627 North Fife Street in the Sixth Avenue Mixed-Use Center.

[Debbie Bingham, Economic Development Specialist; Ricardo Noguera, Director, Community and Economic Development]

### **Resolution No. 39772**

A resolution authorizing the execution of a Multi-Family Housing Eight-Year Limited Property Tax Exemption Agreement with 609 S. 17th Street, LLC, for the development of four multi-family market-rate for sale units located at 609 and 613 South 17th Street in the Downtown Regional Growth Center.

[Debbie Bingham, Economic Development Specialist; Ricardo Noguera, Director, Community and Economic Development]

### **Resolution No. 39773**

A resolution authorizing the execution of a Multi-Family Housing 12-Year Limited Property Tax Exemption Agreement with Point Ruston, LLC, for the development of 194 multi-family market-rate and affordable rental units located at 5006-5020 Main Street in the Point Ruston Mixed-Use Center.

[Debbie Bingham, Economic Development Specialist; Ricardo Noguera, Director, Community and Economic Development]

### **Ordinance No. 28442**

An ordinance amending Chapter 1.12 of the Municipal Code, entitled "Compensation Plan", to implement rates of pay and compensation for Municipal Court Judges and Court Commissioners, and for employees represented by the Brotherhood of Locomotive Engineers and the Teamsters Local 117, Tacoma Venues and Events Unit.

[Gary Buchanan, Director, Human Resources]

**Ordinance No. 28443**

An ordinance repealing and reenacting Chapter 2.04 of the Municipal Code to a new Chapter 12.06A, entitled "Electrical Code", including minor housekeeping language to the Code.

[James Hellman, Chief Electrical Inspector; Chris Robinson, Power Superintendent]

**Ordinance No. 28444**

An ordinance providing for the issuance and sale of Electric System Revenue Bonds, Series 2017, in the aggregate principal amount not to exceed \$90,000,000, to provide funds to finance or refinance costs of capital improvements to the Electric System and to refund all or a portion of the City's outstanding Electric System Subordinate Revenue Bonds, and delegating the authority to approve the final terms of the bonds.

[Bill Berry, Rates, Planning, and Analysis Manager; Chris Robinson, Power Superintendent]

**Ordinance No. 28445**

An ordinance recommending the defeasance of up to \$28,000,000 of certain outstanding Electric System Revenue Bonds, 2013 Series A, and delegating the authority to approve the final terms of the bonds.

[Bill Berry, Rates, Planning, and Analysis Manager; Chris Robinson, Power Superintendent]



## RESOLUTION NO. 39770

1 A RESOLUTION related to the purchase of materials, supplies or equipment,  
2 and the furnishing of services; authorizing the execution of a contract  
3 with Sargent Engineers Inc., in the amount of \$504,329, plus applicable  
4 sales tax, budgeted from the PW Street Fund, for professional services  
5 related to load ratings for all Tacoma bridges, pursuant to Specification  
6 No. CT12-0001F.

7 WHEREAS the City has complied with all applicable laws and processes  
8 governing the acquisition of those supplies, and/or the procurement of those  
9 services, inclusive of public works, as is shown by the attached Exhibit "A,"  
10 incorporated herein as though fully set forth, and

11 WHEREAS the Board of Contracts and Awards has concurred with the  
12 recommendation for award as set forth in the attached Exhibit "A"; Now,

13 Therefore,

14 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

15 Section 1. That the Council of the City of Tacoma concurs with the  
16 Board of Contracts and Awards to adopt the recommendation for award as set  
17 forth in the attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to  
19 enter into a contract with Sargent Engineers Inc., in the amount of \$504,329,  
20 plus applicable sales tax, budgeted from the PW Street Fund, for professional  
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1 services related to load ratings for all Tacoma bridges, pursuant to Specification  
2 No. CT12-0001F, consistent with Exhibit "A."

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4 Adopted \_\_\_\_\_

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\_\_\_\_\_  
Mayor

7 Attest:

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\_\_\_\_\_  
City Clerk

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Approved as to form:

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\_\_\_\_\_  
City Attorney

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## RESOLUTION NO. 39771

1 A RESOLUTION relating to the multi-family property tax exemption program;  
2 authorizing the execution of a Multi-Family Housing Eight-Year Limited  
3 Property Tax Exemption Agreement with Encompass Property Management,  
4 LLC, for the development of 12 multi-family market-rate rental housing units  
5 to be located at 627 North Fife Street in the Sixth Avenue Mixed-Use Center.

6 WHEREAS the City has, pursuant to chapter 84.14 of the Revised Code of  
7 Washington, designated several Residential Target Areas for the allowance of a  
8 limited property tax exemption for new multi-family residential housing, and

9 WHEREAS the City has, through Ordinance No. 25789, enacted a program  
10 whereby property owners in Residential Target Areas may qualify for a Final  
11 Certificate of Tax Exemption which certifies to the Pierce County  
12 Assessor-Treasurer that the owner is eligible to receive a limited property tax  
13 exemption, and

14 WHEREAS Encompass Property Management, LLC, is proposing to develop  
15 12 market-rate rental units to consist of one studio unit, 370 square feet in size and  
16 renting for \$1,000 per month; six one-bedroom, one-bath units, 650 square feet in  
17 size and renting for \$1,250 per month; and five two-bedroom, one bath, units  
18 850 square feet in size and renting for \$1,500 per month, as well as four on-site  
19 residential parking stalls, and

20 WHEREAS the Director of Community and Economic Development has  
21 reviewed the proposed property tax exemption and recommends that a conditional  
22 property tax exemption be awarded for the property located at 627 North Fife Street  
23 in the Sixth Avenue Mixed-Use Center, as more particularly described in the  
24 attached Exhibit "A"; Now, Therefore,  
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BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

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Section 1. That the City Council does hereby approve and authorize a conditional property tax exemption, for a period of eight years, to Encompass Property Management, LLC, for the property located at 627 North Fife Street in the Sixth Avenue Mixed-Use Center, as more particularly described in the attached Exhibit "A."

Section 2. That the proper officers of the City are authorized to execute a Multi-Family Housing Eight-Year Limited Property Tax Exemption Agreement with Encompass Property Management, LLC, said document to be substantially in the form of the proposed agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

Approved as to form:  
\_\_\_\_\_  
Deputy City Attorney

Legal description approved:  
\_\_\_\_\_  
Chief Surveyor  
Public Works Department



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

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Tax Parcel Nos.: 4415000431, 4415000432

Legal Description:

Parcel A:

Lot 10, Block 3, Hawkin's Addition to Tacoma, according to the plat thereof recorded in volume 3 of Plats, at page 23, records of Pierce County, Washington.

Parcel B:

Lot 11, Block 3, Hawkin's Addition to Tacoma, according to the plat thereof recorded in volume 3 of Plats, at page 23, records of Pierce County, Washington.



## RESOLUTION NO. 39772

1 A RESOLUTION relating to the multi-family property tax exemption program;  
2 authorizing the execution of a Multi-Family Housing Eight-Year Limited  
3 Property Tax Exemption Agreement with 609 S. 17th Street, LLC, for the  
4 development of four multi-family, market-rate for-sale units to be located at  
5 609 and 613 South 17th Street in the Downtown Regional Growth Center.

6 WHEREAS the City has, pursuant to chapter 84.14 of the Revised Code of  
7 Washington, designated several Residential Target Areas for the allowance of a  
8 limited property tax exemption for new multi-family residential housing, and

9 WHEREAS the City has, through Ordinance No. 25789, enacted a program  
10 whereby property owners in Residential Target Areas may qualify for a Final  
11 Certificate of Tax Exemption which certifies to the Pierce County  
12 Assessor-Treasurer that the owner is eligible to receive a limited property tax  
13 exemption, and

14 WHEREAS 609 S. 17th Street, LLC, is proposing to develop four new  
15 multi-family, market-rate for-sale units, each consisting of three-bedrooms and  
16 two and one-half baths, 1,700 square feet in size and selling for \$275,000, and  
17 will include four on-site parking spaces, and

18 WHEREAS the Director of Community and Economic Development has  
19 reviewed the proposed property tax exemption and recommends that a  
20 conditional property tax exemption be awarded for the property located at 609 and  
21 613 South 17th Street in the Downtown Mixed-Use Center, as more particularly  
22 described in the attached Exhibit "A"; Now, Therefore,  
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BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. That the City Council does hereby approve and authorize a conditional property tax exemption, for a period of eight years, to 609 S. 17th Street, LLC, for the property located at 609 and 613 South 17th Street in the Downtown Regional Growth Center, as more particularly described in the attached Exhibit "A."

Section 2. That the proper officers of the City are authorized to execute a Multi-Family Housing Eight-Year Limited Property Tax Exemption Agreement with 609 S. 17th Street, LLC, said document to be substantially in the form of the proposed agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

Approved as to form:  
\_\_\_\_\_  
Deputy City Attorney

Legal description approved:  
\_\_\_\_\_  
Chief Surveyor  
Public Works Department



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

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Tax Parcel Nos.: 2016130070, 2016130080

Legal Description:

That portion of the Northeast quarter of the Southeast quarter of Section 05, Township 20 North, Range 03 East, W.M., more particularly described as follows:

The East 41 feet of the West 87 feet of Lots 11 and 12, Block 1613, Map of New Tacoma, Washington Territory, according to the Plat filed for record February 3, 1875, in the office of the Pierce County Auditor;

Together with the East 33 feet of Lots 11 and 12, Block 1613, Map of New Tacoma, Washington Territory, according to the Plat filed for record February 3, 1875, in the office of the Pierce County Auditor;

Also together with the westerly 10 feet of the alley abutting thereon, vacated by Ordinance No. 3070 of the City of Tacoma.

Situate in the City of Tacoma, County of Pierce, State of Washington.



## RESOLUTION NO. 39773

1 A RESOLUTION relating to the multi-family property tax exemption program;  
2 authorizing the execution of a Multi-Family Housing 12-Year Limited Property  
3 Tax Exemption Agreement with Point Ruston, LLC, for the development of  
4 194 multi-family market-rate and affordable housing units to be located at  
5 5006-5020 Main Street in the Point Ruston Mixed-Use Center.

6 WHEREAS the City has, pursuant to chapter 84.14 of the Revised Code of  
7 Washington, designated several Residential Target Areas for the allowance of a  
8 limited property tax exemption for new multi-family residential housing, and

9 WHEREAS the City has, through Ordinance No. 25789, enacted a program  
10 whereby property owners in Residential Target Areas may qualify for a Final  
11 Certificate of Tax Exemption which certifies to the Pierce County  
12 Assessor-Treasurer that the owner is eligible to receive a limited property tax  
13 exemption, and

14 WHEREAS Point Ruston, LLC, is proposing to develop 194 multi-family  
15 market-rate and affordable housing units to consist of 17 studio units, ranging in  
16 size from 552-656 square feet and renting for \$1,050-\$1,200 per month; 80  
17 one-bedroom, one-bath units, ranging in size from 643-868 square feet and renting  
18 for \$1,150-\$1,900 per month; 91 two-bedroom, two-bath units, ranging in size from  
19 913-1,149 square feet and renting from \$1,300-\$2,800 per month; and six three  
20 bedroom, two and one-half bath units, ranging in size from 1,263-1,405 square feet  
21 and renting for \$1,560-\$3,700 per month, as well as 241 on-site residential parking  
22 stalls and 17,945 square feet of commercial space, and

23 WHEREAS the Director of Community and Economic Development has  
24 reviewed the proposed property tax exemption and recommends that a conditional  
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property tax exemption be awarded for the property located at 5006-5020 Main Street in the Point Ruston Mixed-Use Center, as more particularly described in the attached Exhibit "A"; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. That the City Council does hereby approve and authorize a conditional property tax exemption, for a period of 12 years, to Point Ruston, LLC, for the property located at 5006-5020 Main Street in the Point Ruston Mixed-Use Center, as more particularly described in the attached Exhibit "A."

Section 2. That the proper officers of the City are authorized to execute a Multi-Family Housing 12-Year Limited Property Tax Exemption Agreement with Point Ruston, LLC, said document to be substantially in the form of the proposed agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

Approved as to form:  
\_\_\_\_\_  
Deputy City Attorney

Legal description approved:  
\_\_\_\_\_  
Chief Surveyor  
Public Works Department



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

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Tax Parcel: Parcel No. 8950003316 describes Parcel F in the City of Tacoma Boundary Line Adjustment 200810145002 filed in the Pierce County Auditor's Office.

Legal Description:

A portion of Government Lots 1 and 2, Section 24 Township 21 North, Range 2 East, W. M, as recorded in the City of Tacoma Boundary Line Adjustment AFN 200810145002 Records of Pierce County, Washington, portion being Parcel F of said BLA more particularly described as follows:

That portion of Block 111 and of Lots 7 through 16, inclusive, Block 110, of the Plat of Tacoma Tide Lands, as recorded in Volume 2 of Plats, Pages 18 and 19, Records of Pierce county, Washington;

Together with that portion of Lots A and B of the Plat of M. S. Drew's, as recorded in Volume 1 of plats, page 16, Records of Pierce County, Washington;

Together with that portion of vacated Front Street, also being a portion of Section 24, Township 21 North, Range 2 East, W.M. more particularly described as follows;

Commencing at the west quarter corner of said section, being a 2" brass disk scribed with an "X" set in an iron case from which the center west sixteenth corner of said section 24, being a stone scribed with an "X" bears S 88° 06' 22" E 1323.89 Feet;

Thence along the west line of said section 24, N 01° 29' 42" E, 1223.50 feet to the true point of beginning;

Thence continuing along said west line, N 01° 29' 42" E, 48.35 Feet;

Thence N 47° 16' 18" E, 282.33 Feet;

Thence S 42° 51' 51" E 439.88 Feet;

Thence S 48° 52' 33" E, 36.86 Feet;

Thence S 47° 08' 09" W, 155.69 Feet to the northeasterly margin of Rustin Way as conveyed by deed recorded under recording no. 359283, records of Pierce County;

Thence along said margin the following courses:

N 64° 35' 50" W, 219.95 Feet;

S 51° 29' 32" W, 2.71 Feet;

N 56° 51' 07" W, 216.42 Feet;

N 87° 35' 05" W, 39.57 Feet to the true point of beginning.

Situate in County of Pierce, State of Washington.



# ORDINANCE NO. 28442

1 AN ORDINANCE relating to pay and compensation; amending Chapter 1.12 of the  
 2 Tacoma Municipal Code to implement rates of pay and compensation for  
 3 non-represented employees and employees represented by the Brotherhood  
 4 of Locomotive Engineers and title changes for employees represented by the  
 Teamsters Local 117, Tacoma Venues & Events Unit; and declaring the  
 effective dates thereof.

5 BE IT ORDAINED BY THE CITY OF TACOMA:

6 Section 1. That Section 1.12.355 of the Tacoma Municipal Code is hereby  
 7 amended, effective retroactive to July 1, 2017, to read as follows:  
 8

Code	A	Job Title	1
7111		Locomotive Engineer	<del>38.14</del>

Code	A	Job Title	1
7111		Locomotive Engineer	<u>38.90</u>

12 Section 2. That Section 1.12.355 of the Tacoma Municipal Code is hereby  
 13 amended, effective September 1, 2017, to read as follows:  
 14

Code	A	Job Title	1
4312	A	Municipal Court Judge	<del>75.93</del>
4313	A	Court Commissioner	<del>68.34</del>

Code	A	Job Title	1
4312	A	Municipal Court Judge	<u>77.45</u>
4313	A	Court Commissioner	<u>69.70</u>

20 Section 3. That Section 1.12.355 of the Tacoma Municipal Code is hereby  
 21 amended, effective September 1, 2018, to read as follows:  
 22

Code	A	Job Title	1
4312	A	Municipal Court Judge	<del>77.45</del>
4313	A	Court Commissioner	<del>69.70</del>

Code	A	Job Title	1
4312	A	Municipal Court Judge	<u>79.00</u>
4313	A	Court Commissioner	<u>71.10</u>



Section 4. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective May 16, 2017, to read as follows:

Code	Title	1	2	3	4	5	6
6225	PAF <a href="#">Tacoma Venues &amp; Events</a> Custodian	16.47	17.29	18.16	19.07	20.02	
5051	PAF <a href="#">Tacoma Venues &amp; Events</a> Electrician	27.68	29.06	30.52	32.04	33.64	
5050	PAF <a href="#">Tacoma Venues &amp; Events</a> HVAC Mechanic	27.10	28.46	29.89	31.38	32.95	
5048	PAF <a href="#">Tacoma Venues &amp; Events</a> Maintenance Chief	30.86	32.40	34.02	35.72	37.51	
5049	PAF <a href="#">Tacoma Venues &amp; Events</a> Maintenance Chief, Assistant	25.20	26.46	27.79	29.18	30.63	
6014	PAF <a href="#">Tacoma Venues &amp; Events</a> Maintenance Worker I	17.28	18.15	19.06	20.01	21.01	
6015	PAF <a href="#">Tacoma Venues &amp; Events</a> Maintenance Worker II	22.00	23.09	24.25	25.46	26.73	28.07

Section 5. That Section 1.12.640 of the Tacoma Municipal Code is hereby amended, effective retroactive to May 16, 2017, to read as follows:

1.12.640 Application of Additional Rates

\* \* \*

~~0747 The classification of City Manager (CSC 0747) shall receive an automobile allowance of \$550 per month.~~

\* \* \*

Section 6. That Section 1 is effective retroactive to July 1, 2017. That Section 2 is effective September 1, 2017. That Section 3 is effective September 1, 2018. That Sections 4 and 5 are effective retroactive to May 16, 2017.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

Approved as to form:  
\_\_\_\_\_  
Deputy City Attorney



## ORDINANCE NO. 28443

1 AN ORDINANCE relating to the Department of Public Utilities, Power Division  
2 (d.b.a. "Tacoma Power"); repealing and reenacting the City's Electrical  
3 Code from Chapter 2.04 of the Tacoma Municipal Code to a new  
4 Chapter 12.06A.

4 WHEREAS the City's Electrical Code, currently codified under Chapter 2.04  
5 of the Tacoma Municipal Code ("TMC"), relates to requirements for electrical  
6 service plan reviews, service, metering equipment installations, and electrical  
7 permits, and

9 WHEREAS the City of Tacoma, Department of Public Utilities, Light Division  
10 (d.b.a. "Tacoma Power") is recommending the repeal and reenactment of the City's  
11 Electrical Code, from Chapter 2.04 of the Tacoma Municipal Code ("TMC") to  
12 Chapter 12.06A, and

13 WHEREAS the sections of TMC 2.04 will be re-numbered to reflect  
14 assignment to a new Chapter 12.06A, and

16 WHEREAS additional amendments to the Electrical Code will (1) clarify  
17 adoption and application of the current safety standards and practices contained in  
18 the 2017 edition of the National Electrical Code; (2) provide minor housekeeping  
19 changes to Code language; and (3) change references to TMC 2.04 appearing in  
20 other parts of the TMC, and

22 WHEREAS repealing and reenacting the Electrical Code under  
23 Chapter 12.06A as part of Title 12, City Utilities, ensures similar subject matters  
24 are grouped together in the TMC, and

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WHEREAS it is in the best interest of the customers of Tacoma Power and the citizens of Tacoma that proposed revisions to the TMC be approved; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Chapter 2.04 of the Tacoma Municipal Code (“TMC”), Electrical Code, is hereby repealed in its entirety.

Section 2. That there is hereby enacted a new Chapter 12.06A of the TMC, entitled “Electrical Code,” as set forth in the attached Exhibit “A.”

Section 3. That Chapter 2.01 of the TMC is hereby amended as set forth in the attached Exhibit “B.”

Section 4. That Chapter 2.02 of the TMC is hereby amended as set forth in the attached Exhibit “C.”

Section 5. That Chapter 2.05 of the TMC is hereby amended as set forth in the attached Exhibit “D.”

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
Deputy City Attorney

# “EXHIBIT A”

## Chapter 12.06A ELECTRICAL CODE

### Sections:

- 12.06A.010 Title.
- 12.06A.020 Purpose.
- 12.06A.030 Scope of chapter.
- 12.06A.035 Adoption.
- 12.06A.040 Standards for installations.
- 12.06A.050 Severability.
- 12.06A.060 Enforcement of chapter.
- 12.06A.070 Definitions.
- 12.06A.080 Duties of Chief Electrical Inspector.
- 12.06A.090 Effective date of chapter.
- 12.06A.100 Inspection of new electrical installations.
- 12.06A.110 Inspection of existing electrical installations.
- 12.06A.120 Final inspection and service approval.
- 12.06A.130 Temporary wiring.
- 12.06A.135 Metering installations and labeling.
- 12.06A.140 New electrical installations.
- 12.06A.145 Overhead service drops.
- 12.06A.150 Unlawful to alter existing wiring.
- 12.06A.155 Variance from Code requirements.
- 12.06A.160 Move-on housing.
- 12.06A.170 Fusing and equipment protection.
- 12.06A.180 Explanation of chapter requirements.
- 12.06A.190 Right of entry.
- 12.06A.200 Non-liability of City for damages.
- 12.06A.210 Permits required.
- 12.06A.220 Permits and inspections.
- 12.06A.230 Permit to owner – conditions and affidavit.
- 12.06A.240 Filing of drawings and specifications.
- 12.06A.250 Permit fees.
- 12.06A.260 Penalty fees and fee adjustments.
- 12.06A.270 Penalty and adjustment fee appeals.
- 12.06A.300 Protection of electrical workers.
- 12.06A.350 License requirements.
- 12.06A.360 Appeal process.
- 12.06A.370 Additional rules may be made by Director.
- 12.06A.380 Classification of occupancies and wiring methods.
- 12.06A.400 Violations – Notification – Penalties.

### **12.06A.010 Title.**

This Chapter shall be known as the Electrical Code of the City of Tacoma or alternatively the Tacoma Electrical Code.

### **12.06A.020 Purpose.**

The purpose of this Code is the practical safeguarding of persons and property from electrical hazards arising from the use of electricity. This Code contains provisions that are considered necessary for safety. Compliance with this chapter and proper maintenance will result in an installation that is reasonably free from hazard, but not necessarily the most efficient, convenient, or adequate for good service or future expansion of electrical use. Additional guidance for efficient and convenient future expansion of electrical use and systems is found in the National Electric Code (“NEC”).

### **12.06A.030 Scope of chapter.**

The provisions of this chapter shall apply to all electrical conductors and equipment installed, used, rented, offered for sale, or distributed for use in areas served by the City, by and through its Department of Public Utilities, Light Division, and its franchised entities, except as shown in Article 90.2(B) of the 2017 Edition of the NEC.

### **12.06A.035 Adoption.**

A. RCW and WAC adoption and incorporation by reference. Except as otherwise specified in this chapter, the City hereby adopts and incorporates into this chapter, the Tacoma Electrical Code, those provisions of the Revised Code of Washington (“RCW”) contained in Chapter 19.28, and the Washington Administrative Code (“WAC”), Chapter 296-46B, that relate to electrical installations including, but not limited to, methods of construction, repair, maintenance, use of materials, and approval of such installations intended to insure the safety of life and property.

B. NEC adoption. The City hereby adopts and incorporates into this chapter, the Tacoma Electrical Code, the provisions of the 2017 Edition of the NEC in its entirety.

C. In the event any NEC, RCW or WAC provision adopted pursuant to this section is hereafter amended, said amended provision shall be deemed adopted and incorporated into this chapter as of the effective date of such amendment unless the amended provision establishes standards of electrical installations that are not equal to, higher, or better than that required by any other NEC, RCW or WAC provision then in effect. It is the intent of this section that, except as otherwise expressly required or provided under this chapter, the highest standard of electrical installations specified in the NEC, RCW and/or WAC is adopted and shall be enforced per the Tacoma Electrical Code.

### **12.06A.040 Standards for installations.**

A. All electrical installations shall be in conformity with the provisions of this Code and with approved electrical standards for safety to life and property. Where no specific standards are prescribed by this Code, conformity with the requirements or rules set forth in the current edition of the NEC, as amended by the WAC, shall be prima facie evidence of conformity with approved standards for safety to life and property. If any requirements or rules in this chapter are found to be not at an equal, higher, or better standard of materials, devices, appliances, and equipment than of those of the WAC, the requirements of the WAC will prevail. The current edition of the NEC shall mean the current edition of the NEC, as adopted by the City in Section 12.06A.035.

B. Additional City requirements applicable to the provisions of this Code are stated in the:

1. Tacoma Power Customer Service Policies, as promulgated or revised from time to time, on file with the Clerk of the Public Utility Board.

2. Tacoma Power Electric Service Handbook, as the same may be amended from time to time by the Light Division Superintendent or his/her designee, on file with Tacoma Power’s Electrical Inspection Office, and

3. Tacoma Power Transmission and Distribution Construction Standards, as the same may be amended from time to time by the Light Division Superintendent or his/her designee, on file with Tacoma Power’s Electrical Inspection Office.

### **12.06A.050 Severability.**

If any section, subsection, sentence, clause, or phrase of this chapter is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this chapter. The City Council hereby declares that it would have passed this chapter and each section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional.

### **12.06A.060 Enforcement of chapter.**

The Chief Electrical Inspector of the Light Division of the Department of Public Utilities, hereinafter called the Chief Electrical Inspector, shall be responsible for the enforcement of this chapter.

### **12.06A.070 Definitions.**

“Building” means the structure, of any type or designation, at which work under the Electrical Permit will be performed and which is located at the Premises identified by site address on the application for the Permit.

“City” means the City of Tacoma, Department of Public Utilities, Light Division, doing business as Tacoma Power.

“Code” means this chapter of the Tacoma Municipal Code.

“Contractor” means the person, firm, or corporation performing the installation of electrical work pursuant to an Electrical Permit and licensed by the State of Washington. Also referred to herein as electrical contractor.

“Electrical Inspection Office” means the office within Tacoma Power charged with administration and enforcement of this Code under the immediate supervision of the Chief Electrical Inspector.

“Electrical Permit” or “Permit” means a fully paid, and neither expired nor terminated permit issued by Tacoma Power.

“Occupying” means moving furnishings, material, merchandise, or persons into a Building or Premises.

“Owner” means the legal owner of the Premises on which electrical work is installed or is to be installed.

“Permit Holder” means the person or entity that applies for and is issued an Electrical Permit. The Permit Holder shall be responsible for full compliance with the requirements of this chapter. When the Permit Holder is not the Owner of the Premises identified in the Permit application, but performs electrical work at the Premises for such Owner, the Permit Holder shall be deemed to be the authorized agent of the Owner for purposes of enforcement of this chapter and, therefore, such Owner shall be responsible for the acts or omissions of the Permit Holder including, but not limited to, correction of Code violations and the payment of fees or penalties arising under the Permit.

“Premises” means real property and all Buildings and other improvements located thereon.

“Service Point” means the point where the customer’s service conductors are connected to Tacoma Power’s service utility conductors.

“Stop Work Order” means a written notice posted by the electrical inspector ordering the electrical work to be suspended until the electrical inspector removes the notice.

#### **12.06A.080 Duties of Chief Electrical Inspector.**

It shall be the duty of the Chief Electrical Inspector to see that the provisions of this chapter are enforced. The Chief Electrical Inspector shall, upon application, issue Permits for the installation or alteration of electrical wiring, devices, appliances, and equipment, and shall make inspections of electrical installations as provided in this chapter. The Chief Electrical Inspector may delegate appropriate inspection and enforcement duties prescribed by this chapter to electrical inspectors, assistants, and other persons duly qualified and regularly employed by the City.

#### **12.06A.090 Effective date of chapter.**

Any electrical work for which a Permit was obtained before the date on which this chapter becomes effective may be installed and completed in accordance with the laws and regulations which were in effect at the time of issuance of any such Permit.

#### **12.06A.100 Inspection of new electrical installations.**

A. Rough-in wiring or installation of electrical equipment not listed for use in wet locations shall only be installed in a structure or area of a structure that is completely free of exposure to the elements.

B. Requests for inspection must be made by the Permit Holder that installed electrical equipment no later than three business days after completion of the electrical/telecommunication installation or one business day after any part of the installation has been energized, whichever occurs first.

C. Electrical wiring shall not be covered or concealed until such wiring has been approved by Tacoma Power’s Electrical Inspection Office. Where an electrical installation is covered or concealed before approval, it shall be exposed for inspection. The City shall bear no liability for damages or costs resulting from exposing the electrical installation.

#### **12.06A.110 Inspection of existing electrical installations.**

A. The Chief Electrical Inspector is hereby empowered to inspect all existing wiring, appliances, devices, and equipment coming within the scope of this chapter. When the installation of any such wiring, appliance, device, or equipment is determined to be in a dangerous or unsafe condition, the person, firm, or corporation owning, using, or operating the same shall be notified and shall make the necessary repairs or changes required to place such wiring, appliances, devices, or equipment in a safe condition, and have such work completed within 48 hours after notification thereof, or within such further reasonable time as may be allowed by Tacoma Power upon request.

B. The Chief Electrical Inspector is hereby empowered to disconnect or order the discontinuance of electrical service to such conductors or apparatus found to be in a dangerous or unsafe condition, or to have been installed without a Permit. He or she shall thereupon attach a notice, which states that such conductors or apparatus have been disconnected due to violation of the provisions of this chapter. It shall be unlawful to remove a notice of disconnect or to reconnect electrical equipment to an electrical power source without authorization from the Chief Electrical Inspector. Any person removing the notice, or reconnecting the equipment or wiring before approval to do so has been given, will be subject to the penalties outlined in this chapter.

C. Abandoned conductors, conduits, and electrical equipment shall be removed from structures unless it is de-energized, supported, capped, and enclosed or terminated by an acceptable method and tagged “For Future Use” at every accessible location.

#### **12.06A.120 Final inspection and service approval.**

A. Final inspections are required on all Buildings before occupancy. Each unit of a multiple occupancy Building or complex must have a separate final electrical inspection approval before it is occupied. The Permit Holder is required to request a final

inspection at the time the electrical installation is completed. A Permit Holder not complying with the requirements of this section shall be subject to the penalties outlined in this chapter.

B. Final approval will not be given until all fees owed on the project or Permit(s) are paid. When all fees are paid, and the electrical installation is complete and in compliance with this chapter the electrical inspector will sign and/or post a final inspection approval notice. Building permits requiring an electrical inspector's signed approval shall be posted in a conspicuous location.

C. The Chief Electrical Inspector is hereby authorized to disconnect any electrical installation or equipment which has been connected before the approval for service has been given. He or she shall thereupon attach a notice which shall state that the wiring or apparatus has been disconnected due to violation of the provisions of this chapter. Any person removing the notice, or reconnecting the equipment or wiring before approval to do so has been given, will be subject to the penalties outlined in this chapter.

#### **12.06A.130 Temporary wiring.**

Limited use of electricity for emergency or construction purposes may be granted. An Electrical Permit must be purchased and inspection approval must be given before energizing the electrical installation, except as provided in this chapter. Emergency installations shall be limited to a 30-day period. Temporary wiring for construction use is limited to the duration of construction. All use of electricity shall be metered.

#### **12.06A.135 Metering installations and labeling.**

A. Meter height. No meter shall be installed at a height greater than six feet from the front working surface or grade to the mid-point of the meter glass and no lower than five feet from the front working surface or grade to the mid-point of meter glass, except as stated in subsections 1-4 below and as provided in the Tacoma Power Electric Service Handbook and in the Tacoma Power Transmission and Distribution Construction Standards shall apply to all electric meter installations.

1. Commercial multi-metering installed in a vertical configuration shall not be installed below 36 inches from the front working surface or grade to the mid-point of the meter.

2. Residential multi-metering installed in a vertical configuration shall not be installed below 28 inches from the front working surface or grade to the mid -point of the meter.

3. Listed service pedestals and packages containing integral meter sockets, installed according to the manufacturer's instructions, are allowed to be at the height for which they are designed.

4. Special permission is granted by the Chief Electrical Inspector.

B. All meters in a multiple occupancy Building shall be accurately marked to identify the units they serve. Labels must be of sufficient durability to withstand removal from rubbing, fading, or environmental exposure. Label characters must be a minimum 1/2-inch tall and of a contrasting color or shade from the surface to which they are affixed so that they are easily readable.

C. No customer meter sockets will be placed on a pole owned and maintained by Tacoma Power. Meters shall be located on the first customer owned structure which will be the Service Point from Tacoma Power as further specified in the customer requirements found in the Tacoma Power Electric Service Handbook and Tacoma Power Transmission & Distribution Construction Standards.

D. The meter location shall not be concealed by materials, structures or vegetation of any kind and must be readily accessible. A level workspace, measuring no less than 3 feet by 3feet, must be maintained in front of the meter location at all times. Failure to meet these requirements may result in termination of service.

#### **12.06A.140 New electrical installations.**

All new or altered services, feeders, circuits, circuit extensions, and installations must meet requirements of this chapter.

#### **12.06A.145 Overhead service drops.**

Overhead service drop clearances are the Owner's responsibility. These clearances must be free of any vegetation obstructions as further specified in the Tacoma Power Electric Service Handbook.

#### **12.06A.150 Unlawful to alter existing wiring.**

It shall be unlawful for any person to alter in any way any electrical wiring, or to permit such electrical wiring to be altered, unless done in conformity with the provisions of this chapter.

### **12.06A.155 Variance from Code requirements.**

A variance from the electrical installation requirements of this chapter may be granted by the Chief Electrical Inspector when it is assured that equivalent objectives can be achieved by establishing and maintaining effective safety. The variance request must be made in writing by the Permit Holder or designer, using a form provided by Tacoma Power's Electrical Inspection Office. A variance which has been granted shall be for a specific site and time and will not be considered as a precedent for other installations. All variances must be granted in writing.

### **12.06A.160 Move-on housing.**

In addition to the requirements of WAC 296-46B-010, any structure which has been moved shall have its service upgraded to meet the requirements of this chapter and the NEC. Kitchen, bath, and laundry circuits shall comply with the NEC. AFCI protection, in compliance with the NEC, will be required, on all bedroom circuits.

### **12.06A.170 Fusing and equipment protection.**

Fusing and equipment protection shall be in compliance with NEC Article 240.

### **12.06A.180 Explanation of chapter requirements.**

A Tacoma Power electrical inspector may answer relevant questions concerning interpretation or application of adopted regulations and rules outlined in this Code. No electrical inspector shall lay out work or act in the capacity of an electrical installation consultant.

### **12.06A.190 Right of entry.**

A Tacoma Power electrical inspector shall have the right to enter any and all Buildings and Premises which contain electrical wiring or apparatus, at any reasonable hour, for the purpose of inspecting or testing the installation of electrical wiring, electrical devices, and/or electric materials to determine Code compliance. Consent to such entry and inspection is a condition of continued electrical service.

### **12.06A.200 Non-liability of City for damages.**

This chapter shall not be construed to alter the responsibility or liability of any person owning, designing, operating, controlling, or installing any electrical wires, appliances, apparatus, construction, or equipment for damages to persons or property caused by a defect therein, nor shall the City, or any employee or agent thereof, be held as assuming any such liability by reason of the inspection or other examination authorized herein or the notice of approval issued by the electrical inspector.

### **12.06A.210 Permits required.**

An Electrical Permit shall be applied for and purchased before electrical equipment may be installed, altered, or repaired. An Electrical Permit is required for the installation, alteration, or maintenance of all electrical systems or equipment, including, but not limited to, when removal of a Tacoma Power owned electric meter is necessary to perform any electrical work.

Exceptions:

A. Like-in-kind replacement of a contactor, relay, timer, starter, electronic circuit board, or similar control component, household appliance, circuit breaker, fuse, residential luminaire, lamp, snap switch, dimmer, receptacle outlet, thermostat, heating element, luminaire ballast with an exact same ballast, component(s) of electric signs, outline lighting, skeleton lighting or skeleton neon tubing where the electrical system is not modified, 10 horsepower or smaller motor;

B. Induction detection loops described in WAC 296-46B-300(2) and used to control gate access devices;

C. Heat cable repair; and

D. Embedding pre-manufactured heat mats in tile grout where the mat is listed by an approved testing laboratory and comes from the manufacturer with pre-connected lead-in conductors. All listing marks and lead-in conductor labels must be left intact and visible for evaluation and inspection by the installing electrician and the electrical inspector.

### **12.06A.220 Permits and inspections.**

A. An Electrical Permit application shall be filled in completely and accurately before it will be accepted by Tacoma Power's Electrical Inspection Office. An application for an Electrical Permit signed by an electrical contractor or its representative shall serve as a certification by the electrical contractor, made under penalty of perjury, that said Contractor is the duly authorized agent of the Premises Owner where the electrical work is to be performed.

B. Electrical Permits shall expire one year after the date of issue or one year after the most recent inspection, whichever is later. The re-issuance of a Permit, if granted, may require additional fees.

C. The scheduling and timing of inspections shall be according to provisions set forth in the Tacoma Power Electric Service Handbook.

D. The Permit Holder is responsible for providing or arranging access to the work to be inspected.

E. The inspection site address shall be clearly visible from the street.

F. Electrical Code violations identified by the electrical inspector shall be posted at the work location. Violations shall be corrected within 15 days of notification unless a written request for extension is granted by the Chief Electrical Inspector.

G. Electrical Permits shall be required for each Building at which electrical work will be performed.

H. Electrical Permits are transferable, provided the original scope of work for the Permit has not changed and there has been no electrical work or inspection activity. The Permit transferee must present a statement and authorizing signature of approval from the Permit transferor. The transfer must take place at Tacoma Power's Electrical Inspection Office within one year of the original Permit issuance.

I. Electrical Permits may be canceled by the Permit Holder. Upon such cancellation, Permit Holder shall be refunded the Electrical Permit fee prorated based on prior inspection activity, and less an administrative process fee. Tacoma Power may cancel an Electrical Permit if it determines the Permit Holder is not qualified to perform the Permitted work.

#### **12.06A.230 Permit to owner – conditions and affidavit.**

A. Electrical permits to perform electrical work on a new or existing Building owned by the Permit applicant and not intended for rent, sale, or lease may be issued to the applicant, provided that:

1. The applicant provides documentation that he or she is the Owner of the Building where electrical work is to be performed, such as a copy of a deed, along with evidence of identity;

2. The applicant signs an affidavit under penalty of perjury affirming the Building where the electrical work is to be performed is not for rent, sale or lease at the time of Permit application and that he or she does not intend to rent, sell or lease all or any part of the Building for at least twenty-four months after the final electrical inspection;

3. If the Building where the electrical work is to be performed is used as a residence by any person other than the applicant at the time of Permit application, or will be so used at any time during the twenty-four months following final electrical inspection, the applicant's affidavit must further affirm the applicant's residence at such Building and his or her intent to reside therein for at least two years after final inspection; and

4. The electrical work shall be done by the applicant and he or she, as well as any person(s) who gave assistance with the electrical installation, must be present during all inspections.

B. If it is apparent from the character of electrical work performed by or with the knowledge of the Owner, whether performed prior to or after Permit issuance, that the Owner and/or person assisting the Owner are not qualified to do the work under the Permit applied for or issued, an electrical inspector may require the work that is in violation of this chapter be changed, altered, or repaired by a licensed electrical contractor.

#### **12.06A.240 Filing of drawings and specifications.**

A. A completed plan review application shall be submitted with information required to complete the review process including, but not limited to, documentation specified in the Plan Review Application Instructions. Submitted plans shall be in accordance with WAC 296-46B-900 and must be stamped by a Professional Electrical Engineer registered with the State of Washington.

B. Electrical Permit applicants are required to submit electrical plans, load calculations, and specifications for work to be performed on:

1. Commercial and industrial services greater than 400 amps and downtown network services and feeders over 200 amps;

2. Residential services and feeders over 400 amps;

3. Commercial projects with a scope that covers more than 2,500 square feet;

4. All systems that have emergency generators (NEC Articles 517, 700, 701);

5. Systems operating over 600 volts; or

6. Schools, hospitals, institutions, and other projects as specified in the WAC.

C. Electrical plans must be submitted to Tacoma Power's Electrical Inspection Office for review, giving sufficient time to complete the review prior to beginning electrical construction. A Tacoma Power approved set of drawings must be on the job

site for the electrical inspector’s use. No inspection will be performed unless the approved plans are on the job site or special written permission is granted by the Chief Electrical Inspector or his designee. Where inspections are performed by Tacoma Power prior to plan approval, electrical materials or equipment may be required to be re-installed to meet the requirements of this chapter once plan review is complete. Electrical service will not be provided unless approved plans are on site and the electrical service equipment installation is approved.

D. Plan review fees are included in the commercial Permit fees. When no Permit has been purchased and the project has been canceled, or excessive time is required to review plans submitted with incomplete information or extensive errors, a fee of \$80 per hour will be charged. Shipping and handling fees of \$25 will be charged on all plans requested to be mailed back to the submitter.

**12.06A.250 Permit fees.**

Current standard fees for connecting electrical services to the Tacoma Power system, as well as the Permit fees and any penalties previously assessed, must be paid before an Electrical Permit application will be processed. The Permit applicant is responsible to arrange for payment. Permit applications for which insufficient or no payment has been received will not be processed. Unpaid Permit applications will be discarded by Tacoma Power if payment has not been received within 10 business days of receipt of application. Unless otherwise noted, when multiple inspections are required, the Permit fee shall not be less than \$40 per 1/2 hour of inspection time. No inspection will be performed until the Permit application process is completed.

Current standard fees for Electrical Permits and inspections by Tacoma Power are as follows:

A. Residential.

1. Table A. Single-family dwelling and mobile home services, service changes, service upgrades, and solar photovoltaic (PV) system fees are set forth in Table A below, and include branch circuit wiring from the service(s) or feeder(s). All wiring by the same Permit Holder on single family dwellings of 400 amps/4000 sq. ft. or less is included under the fees from Table A unless otherwise noted below.

<u>TABLE A</u>			
<u>Service/PV System/Feeder Ampacity and Square Footage</u>	<u>Permit Fees</u>		
	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	<u>Overhead Service or PV installation - up to 2 trips</u>	<u>Underground to Pole and Underground Service or PV installations with underground wiring - up to 4 trips</u>	<u>Feeder Only up to 2 trips</u>
<u>1-200A and up to 2500 sq. ft.</u>	<u>\$80</u>	<u>\$160</u>	<u>\$60</u>
<u>Up to 400A or up to 4000 sq. ft.</u>	<u>\$120</u>	<u>\$200</u>	<u>\$70</u>
<u>Over 400A or over 4000 sq. ft.</u>	<u>Use TABLE B</u>		

2. Branch circuit alterations and repairs. The fee for 1 to 4 new circuits, circuit extensions, or alterations where the service or feeder is not modified, increased, relocated, or replaced..... \$50

Use Table A if service or feeder work is included.

Each additional circuit..... \$5

Fee includes two inspections.

3. Service and PV system alterations and repairs. Minor alterations and repairs to an electrical service or PV system, including, but not limited to, the repair or replacement of the service mast, service entrance conductors, weather head, service attachment bracket, meter socket, main breaker, PV array, or production meter socket..... \$40

See Table A if service panel, PV AC disconnect, or utility disconnect is repaired or replaced in combination with any of the above listed items.

Fee includes one inspection.



4. Low voltage.

Single-family Dwellings—Fees for low voltage control panels and devices, such as fire alarm systems, data systems, intrusion alarms, HVAC systems, thermostats, and similar systems ..... \$40

Fee includes one inspection.

5. Temporary services 1-200 amps single phase ..... \$40

Fee includes one inspection.

Temporary services over 200 amps or three phase and systems with feeders ..... Table B

6. Residential swimming pool (In addition to any other fees listed). ..... \$120

Fee includes three inspections.

7. Generator transfer panel and equipment. .... \$60

Fee includes one inspection.

B. Commercial and industrial.

1. Table B. The Permit fee for all commercial and industrial work, multifamily dwelling installations, and single family dwellings exceeding 400 amps or 4000 square feet shall be derived from Table B. Proof of electrical work value must be submitted at the time of application. Proof may be established by presenting a signed contract or a priced itemization of the work to be performed. The electrical work value shall be the reasonably documented value of all labor, material, fittings, apparatus, and the like, whether actually paid for or not, supplied by the Permit Holder and/or installed by the Permit Holder as a part of, or in connection with, a complete electrical system, but which does not include the cost of utilizing equipment connected to the electrical system. If a signed contract or other substantial proof of value is not submitted at the time of Permit application, the value may be established by Tacoma Power’s Electrical Inspection Office using modern construction cost-estimating techniques. If the reported work value is determined by Tacoma Power’s electrical inspection office to be significantly less than what was reported at the time the Permit was purchased, the Permit fee amount will be increased to reflect the corrected actual value and a charge for the time to determine such value will be assessed to the Permit fee. A fee adjustment shall be made for all change orders and field changes that increase the value. All fees must be paid before final electrical inspection approval of the project.

<u>TABLE B</u>	
<u>Value of Electrical Construction</u>	<u>Permit Fees</u>
<u>\$0-\$1,000</u>	<u>\$100 for the first \$1,000 or fraction thereof.</u>
<u>\$1,001-\$5,000</u>	<u>\$100 for the first \$1,000 plus \$4 for each additional \$100 or fraction thereof.</u>
<u>\$5,001-\$50,000</u>	<u>\$260 for the first \$5,000 plus \$2 for each additional \$100 or fraction thereof.</u>
<u>\$50,001-\$100,000</u>	<u>\$1,160 for the first \$50,000 plus \$1.50 for each additional \$100 or fraction thereof.</u>
<u>\$100,001-\$250,000</u>	<u>\$1,910 for the first \$100,000 plus \$9 for each additional \$1,000 or fraction thereof.</u>
<u>\$250,001-\$500,000</u>	<u>\$3,260 for the first \$250,000 plus \$8 for each additional \$1,000 or fraction thereof.</u>
<u>\$500,001-\$750,000</u>	<u>\$5,260 for the first \$500,000 plus \$7 for each additional \$1,000 or fraction thereof.</u>
<u>\$750,001-\$1,000,000</u>	<u>\$7,010 for the first \$750,000 plus \$6 for each additional \$1,000 or fraction thereof.</u>
<u>\$1,000,001-\$2,000,000</u>	<u>\$8,510 for the first \$1,000,000 plus \$5.50 for each additional \$1,000 or fraction thereof.</u>
<u>\$2,000,001-\$3,000,000</u>	<u>\$14,010 for the first \$2,000,000 plus \$5 for each additional \$1,000 or fraction thereof.</u>
<u>\$3,000,001-\$4,000,000</u>	<u>\$19,010 for the first \$3,000,000 plus \$4.50 for each additional \$1,000 or fraction thereof.</u>
<u>\$4,000,001-\$5,000,000</u>	<u>\$23,510 for the first \$4,000,000 plus \$4 for each additional \$1,000 or fraction thereof.</u>
<u>\$5,000,001-\$50,000,000</u>	<u>\$27,510 for the first \$5,000,000 plus \$3.50 for each additional \$1,000 or fraction thereof.</u>
<u>\$50,000,001-\$100,000,000</u>	<u>\$185,010 for the first \$50,000,000 plus \$3 for each additional \$1,000 or fraction thereof.</u>
<u>\$100,000,001 and up</u>	<u>\$335,010 for the first \$100,000,000 plus \$2.50 for each additional \$1,000 or fraction thereof.</u>

2. Lighting retrofit projects limited to the exchange of fixtures and/or ballasts.

Minimum fee per 5,000 sq. ft. of Building..... \$80  
Each additional 1,000 sq. ft. or fraction of ..... \$8

3. Traffic signals.

Traffic signal and street lighting service only

(If street lighting is inspected by authorized cities or WSDOT) ..... \$80  
All others..... Table B

4. Signs.

Each sign or first field installed neon transformer ..... \$40  
Each additional sign or field installed neon transformer ..... \$15

Fee includes one inspection.

5. Carnival, circus, fair, trade shows, or similar events.

First ten of rides, generators, concessions, gaming shows, displays, or booths ..... \$100  
Each additional ..... \$5

C. Low voltage—Commercial/Industrial. Fees for low voltage control panels and devices, such as fire alarm systems, data systems, intrusion alarms, HVAC systems, thermostats, communication systems, emergency control systems, and similar systems are as follows:

Minimum fee per 10,000 sq. ft. of Building..... \$80  
Each additional 1,000 sq. ft. or fraction of ..... \$8

D. Overtime: Overtime inspections including, but not limited to, call outs, weekend inspections, and after hours work must be scheduled with Tacoma Power’s Electrical Inspection Office a minimum of three business days in advance. In addition to the regular Permit fee, a fee for an overtime inspection is required as follows:

1. Unscheduled: Outside of an electrical inspector’s regular working hours, the minimum fee for an inspection shall be \$480 for the first two hours, portal to portal, plus \$160 for each hour thereafter. The fee must be paid the next business day.

2. Scheduled: Outside of an electrical inspector’s regular working hours, the minimum fee for an inspection shall be \$320 for the first two hours, portal to portal, plus \$160 for each hour thereafter. The fee of \$320 must be paid 48 hours in advance of the scheduled inspection, and any remaining fee must be paid the next business day.

3. Requested inspections that extend beyond the electrical inspector’s regular working hours shall be at the minimum rate of \$160 per hour, portal to portal.

E. Annual Permit. Pursuant to section 12.06A.350, annual Permits are available to commercial and industrial customers employing their own electrical maintenance staff. An annual Permit may be purchased in lieu of individual Permits for maintenance on each job performed. Annual Permits may be purchased by an electrical contractor to perform maintenance work at a commercial and industrial location if, at the time of application, a valid copy of the electrical contractor’s yearly maintenance contract with the customer is submitted to Tacoma Power and the term and nature of work under such contract is consistent, as determined in the sole discretion of Tacoma Power, with the term and purpose of the annual Permit. Applications for annual Permits submitted without proof of required employment status or a valid maintenance contract will not be accepted. Work performed under an annual Permit is limited to the installation of not more than two new feeders or circuits rated 100 amps or less, and the maintenance, repair, retrofit, or replacement of conductors and equipment. Annual Permits do not include the installation of new, exchanged, or upgraded service equipment, electrical work installed as part of new or added square footage, facility expansion, remodel, or where, except as noted above, load is increased. The annual Permit fee is calculated per Table C.

<u>TABLE C</u>	
<u>Number of one-hour Inspection units</u>	<u>Fee</u>
<u>12</u>	<u>\$960</u>
<u>13-24</u>	<u>\$1,920</u>
<u>25-36</u>	<u>\$2,880</u>
<u>37-52</u>	<u>\$4,160</u>

F. Miscellaneous fees.

1. Wrong meter address or location.

A Permit is required to correct or inspect incorrect meter addressing by the Owner or Owner’s agent.....\$40 per 1/2 hour

Overtime rates may apply.

2. Miscellaneous inspection (other)..... \$40 per 1/2 hour

3. Variance.

A processing fee for granting an electrical installation as outlined in Section 12.06A.155 of this chapter ..... \$140

4. Required inspection on services off for one year or more ..... \$40

Fee includes 1 inspection.

An additional Permit, fees, and inspections may be required if electrical deficiencies exist on the Premises.

**12.06A.260 Penalty fees and fee adjustments.**

The following-described penalties may be assessed, or the described fee adjustments may be determined appropriate, by order of the Chief Electrical Inspector:

A. Trip fee (per trip) when permit holder notifies Electrical Inspections Office that work is ready for inspection when it is not..... \$40

B. The Permit Holder gives an incorrect inspection site address..... \$40

C. Inspections required as a result of carelessness, neglect, faulty workmanship, or materials..... \$40

D. Failing to complete corrections within 15 days as required by this chapter..... \$40

E. Removal of Stop Work Order..... \$40

F. Tampering with Stop Work Order penalty fee ..... \$40

G. Occupying a Building, living unit, or business space without final electrical approval ..... \$275

H. Work performed without a Permit ..... 4X regular Permit fee

This provision does not pertain to emergency work where a permit is purchased the next business day.

I. Failure to provide or arrange access for requested inspection..... \$40

J. Late charge for nonpayment of penalty fees ..... \$25

K. Permit cancellation administrative process fee ..... \$40

**12.06A.270 Penalty and adjustment fee appeals.**

Penalty and Permit adjustment fees are due at the time of assessment unless the assessed party makes an appeal to the Chief Electrical Inspector within 15 business days pursuant to Section 12.06A.360. If payment or appeal is not made within the 15 days, an additional \$25 late fee will be assessed and inspection activity will be stopped until the fee and late charges are paid.

**12.06A.300 Protection of electrical workers.**

All clearances per the State of Washington rules contained in WAC 296-155-428 must be maintained while working around overhead electrical lines.

### **12.06A.350 License requirements.**

A. Subject to subsections B and C, and except as otherwise provided in RCW 19.28.091 or in section 12.06A.230, no person or entity shall in any manner undertake to perform any electrical work involving the installation, maintenance, alteration, or repair of any electrical wiring, devices, appliances, or equipment for which a Permit is required by this chapter unless such person or entity has an unrevoked, unsuspended, and unexpired electrical contractors license issued by the State of Washington.

B. Employers with employee(s) that perform electrical work are exempt from the license requirements of this section, provided that:

1. The work performed is on the employer's Premises or other property; and

2. The work is not on the construction or remodel of a Building or other property intended for rent, sale, or lease.

C. Employees performing electrical work on the Premises or other property of their employer are exempt from the license requirements of this section, provided that:

1. The work is not on the construction or remodel of a Building or property intended for rent, sale, or lease; and

2. The employee performing the work is a regular, full time employee of the Owner of such Building or property.

D. A licensed electrical contractor will be required to perform any electrical work for, or on behalf of, any person or entity that does not satisfy the licensing requirements of this section. If it is apparent from the character of the work performed that the person or entity performing work under any exemption in this section is not qualified to do the work under the Permit issued, or that the work is otherwise in violation of this chapter, an electrical inspector may require the work to be changed, altered, or repaired by a licensed electrical contractor.

### **12.06A.360 Appeal process.**

A. Any decision of an electrical inspector regarding the requirements of, or fees and penalties imposed under this chapter, may be appealed in writing to the Chief Electrical Inspector. The appeal must be made within 15 business days of the initial decision. The Chief Electrical Inspector shall respond in writing within ten business days.

B. Any decision of the Chief Electrical Inspector may be appealed to the Light Division Superintendent or his/her designee. The appeal must be made in writing and within ten business days of the Chief Electrical Inspector's decision. The Light Division Superintendent or his/her designee shall make a decision on the appeal request within a reasonable time, which decision shall be in writing. Except for criminal and civil penalties imposed pursuant to section 12.06A.400 of this chapter, the written decision of the Light Division Superintendent or his/her designee is final and conclusive unless appropriate legal action is filed with the Pierce County Superior Court within 30 days of the issuance of said decision.

### **12.06A.370 Additional rules may be made by Director.**

The Director of Utilities may make such rules and regulations governing the operation of this chapter as are not inconsistent with its provisions. The Director may grant reasonable minor adjustments in cases where the terms of this chapter place an injustice upon a customer if after written evidence has been presented to the Director it is shown that irregular circumstances of the customer's load, service and/or other conditions warrant such adjustment.

### **12.06A.380 Classification of occupancies and wiring methods.**

A. 200 ampere service capacity shall be required for all new single-family and duplex residential units of 500 square feet or more. An entire service upgrade shall not be required when only replacing a meter base, or mast, or panel, unless the load requirement is greater than the rating of the existing service and/or specific electrical safety concerns associated with said equipment are detected.

B. Service entrance conductors for commercial occupancies shall have an ampacity not less than the rating of the service equipment they supply. For multiple-dwelling occupancies, the minimum service conductor ampacity shall not be less than the calculated service load.

C. Commissioning of all new Emergency Legally Required Standby, and/or Health Care systems fed by a 150 kw or larger generator shall be in compliance with NEC Sections 700, 701 and 517, respectively. A copy of the commissioning report shall be presented to the electrical inspector prior to the final electrical inspection

D. Customer-owned systems that are metered at 12.5 kV or higher, known as primary metered systems, shall be installed as outlined in NEC 215.2(B)(3) and Tacoma Power's Transmission & Distribution Construction Standards. Such systems must be designed and certified by a Washington State Registered Electrical Engineer and reviewed by Tacoma Power's Electrical Inspection Office. These systems must be tested per manufacturers' published instructions and certified as free of short circuits and ground faults prior to approval for energizing.

E. Each newly constructed or remodeled dwelling unit, as defined in NEC 100, shall be independently metered by Tacoma Power.

F. Use of Type SE cable is limited to feeders and branch circuits.

**12.06A.400 Violations – Notification – Penalties.**

A. Any person, firm, or corporation that violates, disobeys, neglects, or refuses to comply with or resists or opposes the enforcement of any of the provisions of this chapter, or who persists in Occupying any building or structure, and/or maintaining operation of any equipment or appliances, in which the electrical wiring has been declared to be in violation of this chapter, after having been notified of such violation, shall be guilty of a misdemeanor and upon conviction thereof, shall be punishable by a fine not to exceed \$1,000, together with the cost of prosecution, or by imprisonment of not more than 90 days, or by both such fine and imprisonment. Each day such violation, disobedience, neglect, or refusal continues after notification of violation shall be deemed a separate offense and shall be subject to the penalty of this section. Such person, firm, or corporation shall be deemed to have been duly notified by posting of notification on the premises, equipment, or appliances by the electrical inspector or by the sealing out of the service, of circuits, of equipment, and/or of appliances by the electrical inspector, or by notification in writing by the electrical inspector, mailed to the Owner and/or occupant at the Premises involved.

B. At the option of the City, in lieu of proceeding with criminal sanctions, violations of this chapter may result in a civil penalty of up to \$1,000 for each violation. A civil penalty may be imposed by written notice issued by the Chief Electrical Inspector or his or her designated assistant. The civil penalty shall be paid prior to final approval of the premises involved. Appeals of the civil penalty may be made by a party or firm adversely affected by filing a notice of appeal with the City Hearing Examiner within ten days of receipt of the notice of civil penalty. The decision of the Hearing Examiner is final and conclusive, and is only subject to review by the Pierce County Superior Court by filing appropriate legal action within 30 days of the issuance of the Hearing Examiner's final decision. If such fine or civil penalty remains unpaid more than 60 days after said amount has been imposed and all appeals thereof have been exhausted, or the time has expired for an appeal, then said amount may be transferred to the electric utility bill account for said person or firm, and the remedies for collection for electric utility shall apply.

# “EXHIBIT B”

## Chapter 2.01 MINIMUM BUILDING AND STRUCTURES CODE

### Sections:

- 2.01.010 Purpose.
- 2.01.020 Scope.
- 2.01.030 Additions, Alterations, and Change of Use.
- 2.01.040 Definitions.
- 2.01.050 Administration and Process.
- 2.01.060 Minimum Building Requirements and Repair Standards.
- 2.01.070 Unoccupied, Vacant, or Partially Secured Building Standards.

\* \* \*

### **2.01.060 Minimum Building Requirements and Repair Standards.**

No owner shall maintain, or permit to be maintained, any property which does not comply with the requirements of this chapter. All property shall be maintained to the Building Code requirements in effect at the time of construction. Alterations or repairs shall meet the minimum standards and repair standards set forth in this section. It is recognized that, in order to maintain the properties as required by this chapter, repairs will need to be made. Repairs, renovations, alterations, and additions in general will be required to meet the applicable codes in effect at the time they are undertaken, with the minimum acceptable standard of repair being made to bring the building or element of a building up to at least the minimum standards as listed in this section. The following provisions provide guidelines for these repairs, but when renovations, alterations, and additions are undertaken, they may require meeting a higher standard of repair than just meeting the minimum requirements set forth in this section.

Requirements necessary for the strength, stability or proper operation of an existing fixture, structure or equipment, or for public health, safety or general welfare, not specifically covered by Chapter 2.01, shall be determined by the Building Official, as authorized in the Tacoma Municipal Code.

Where there is a change of use or where there is a substantial renovation as defined by the Building Code, all work shall be in accordance with the Building Code, including the IEBC as adopted and amended in Chapter 2.02 of the Tacoma Municipal Code.

\* \* \*

### O. Exit Path Lighting.

General. Except within individual dwelling units, guest rooms, and sleeping rooms, exits shall be illuminated at any time the building is occupied, with light having intensity in accordance with the Building Code.

Sources of Power. The power supply for exit illumination shall normally be provided by the premises' wiring system. Emergency backup power or power on separate circuits shall be in accordance with the Building Code in effect at the time the lighting was installed.

Exit path shall be illuminated at all times the building or structure is occupied. Exit path lighting shall provide a minimum illumination at floor level in accordance with the Building Code. Where exit path lighting in existing buildings is missing or is required to be upgraded, it shall meet the following requirements:

Separate Sources of Power. The power supply for exit illumination shall normally be provided by the premises' wiring system. In the event of its failure, illumination shall be automatically provided from an emergency system for Group I, Divisions 1.1 and 1.2 Occupancies, and for all other occupancies where the exiting system serves an occupant load of 100 or more.

Emergency systems shall be supplied from storage batteries or an on-site generator set and the system shall be installed in accordance with the requirements of the Electrical Code, as codified in Chapter [12.046A](#) of the Tacoma Municipal Code.

EXCEPTION: In auditoriums, theaters, concert or opera halls, and similar assembly uses, the illumination at floor level may be reduced during performances to lower levels allowed in the Building Code.

\* \* \*

# “EXHIBIT C”

## Chapter 2.02 BUILDING CODE

Sections:

- 2.02.010 Adoption of International Building Code, International Residential Code, and International Existing Building Code.
- 2.02.020 Purpose.
- 2.02.030 International Plumbing Code.
- 2.02.040 *Repealed.*
- 2.02.050 *Repealed.*
- 2.02.060 *Repealed.*
- 2.02.070 *Repealed.*
- 2.02.080 Amendment to IBC Section 105.1 – Permits by addition of a new Section 105.1.3 – Business Licensing.
- 2.02.090 Amendment to IBC Section 105.2 – Work exempt from permit.
- 2.02.100 Amendment to IBC Section 202 – Definitions – D, L, S, T, and W.
- 2.02.110 Amendment to IBC Section 111.2 – Certificate issued.
- 2.02.120 Amendment to IBC Section 113 – Board of Appeals.
- 2.02.130 Amendment to IBC Section 114 – Violations.
- 2.02.135 Amendment to IBC Section 419 – Live/Work units.
- 2.02.140 Amendment to IBC Section 504.4 by addition of a new Section 504.4.1.1 – Type B occupancies within R-1 and R-2 occupancies.
- 2.02.150 Amendment to IBC Section 510.2 – Horizontal building separation allowance by addition of a new Section 510.2(7).
- 2.02.160 Amendment to IBC Section 1503.4 – Roof Drainage.
- 2.02.170 Amendment to IBC Section 1511 Re-roofing – by addition of a new Section 1511.7 – Energy Code Requirements for Re-roofing.
- 2.02.180 Amendment to IBC Section 1608 – Snow loads.
- 2.02.185 Amendment to IBC Section 1612.3 – Establishment of Flood Hazard Areas.
- 2.02.190 Amendment to IBC Section 1613 by addition of a new subsection 1613.7 – Tension-only bracing.
- 2.02.200 Amendment to IBC Section 2405 by addition of a new subsection 2405.6 – Location of sloped glazing and skylights.
- 2.02.205 Amendment to IBC Section 3108 – Telecommunication and Broadcast Towers by addition of a new Section 3108.1.1 – Amplification Factor for Structures Bracketed to Supporting Structure.
- 2.02.210 Amendment to IBC Section 3202.3 – Encroachments eight feet or more above grade.
- 2.02.220-  
2.02.380 *Repealed.*
- 2.02.390 Amendment to IBC Appendix Section G102.2 – Establishment of Flood Hazard Areas.
- 2.02.400 Amendment to IBC Appendix Section G103 – Powers and Duties by the addition of a new Section G103.10 – Additional Conditions for Consideration.
- 2.02.410 Amendment to IBC Appendix Section G105 – Variances by Addition of a new Section G105.7.1 – Additional Criteria for Issuance.
- 2.02.500 *Repealed.*
- 2.02.510 *Repealed.*
- 2.02.520 *Repealed.*
- 2.02.530 *Repealed.*
- 2.02.540 Amendment to IRC Section R105.2 – Work Exempt From Permit, Building and Electrical Sections.

\* \* \*

\* \* \*

### **2.02.090 Amendment to IBC Section 105.2 – Work exempt from permit.**

105.2 Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of this jurisdiction. Permits shall not be required for the following:

**Building:**

1. One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11 m2).

2. Fences not over 7 feet (1829 mm) high.
3. Oil derricks.
4. Retaining walls which are not over four feet (1219 mm) in height, measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or III-A liquids. A Fence supported by a retaining wall shall be considered a surcharge.
5. Water tanks supported directly on grade if the capacity is not greater than 5,000 gallons (18,925 L) and the ratio of height to diameter or width is not greater than 2:1.
6. Sidewalks and driveways not more than 30 inches (762 mm) above adjacent grade and on grade concrete patios with an aggregate area not exceeding 2,000 Sq. Ft. (185.81 sq-M), provided they are not over any basement or story below and are not part of an accessible route.
7. Painting, papering, tiling, carpeting, cabinets, counter tops, and similar finish work.
8. Temporary motion picture, television, and theater stage sets and scenery.
9. Prefabricated swimming pools accessory to a Group R-3 occupancy, as applicable in Section 101.2, which are less than 24 inches (610 mm) deep, are not greater than 5,000 gallons (18,925 L), and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
11. Swings and other playground equipment accessory to detached one- and two-family dwellings.
12. Window awnings in Group R-3 and U occupancies supported by an exterior wall which do not project more than 54 inches (1372mm) from the exterior wall and do not require additional support.
13. Non-fixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1753 mm) in height.

Electrical: See TMC Chapter [12.046A](#).

\* \* \*

**2.02.540 Amendment to IRC Section R105.2 – Work Exempt From Permit, Building and Electrical Sections.**

The following additional exception shall be added to R105.2 – Building:

Building:

11. Reroofing of single family or duplex residential buildings, provided the existing roof coverings are removed prior to reroofing and the following conditions are met:
  - a. The new roofing material does not exceed five (5) pounds per square foot, or
  - b. For a vegetated roof, where it is the same weight as the previous roof and a vegetated roof was previously approved through a building permit.

The following amendment shall be made to R105.2 – Electrical:

Electrical: See TMC Chapter [12.046A](#).

\* \* \*



## **“EXHIBIT D”**

### **Chapter 2.05**

#### **SIGN CODE**

Sections:

- 2.05.010 Signs, General.
- 2.05.275 Political Signs.

#### **2.05.010 Signs, General.**

Regulation of the location, size, appearance and number of signs shall be regulated by title 13, except as modified in TMC Chapters 1.42 and 13.07 which provide regulations for Landmarks Special Review Districts. The illumination and electrical aspects shall be regulated by the Electrical Code as adopted by TMC Chapter [12.046A](#). The energy regulations and illumination controls shall be in accordance with the Washington State Energy Code as adopted and amended by the City of Tacoma in TMC Chapter 2.10. The structural design and support of signs shall be in accordance with the Building Code as adopted and amended by the City of Tacoma in TMC Chapter 2.02.

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# ORDINANCE NO. 28444

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AN ORDINANCE relating to the Electric System of the City of Tacoma; providing for the sale and issuance of Electric System Revenue Bonds in the aggregate principal amount of not to exceed \$90,000,000 to provide funds to finance or refinance costs of capital improvements to the Electric System and to refund all or a portion of the City's outstanding Electric System Subordinate Revenue Bonds, fixing certain terms and provisions thereof, and approving certain other matters in connection therewith.

WHEREAS, by Ordinance No. 23514, passed on November 20, 1985 (as amended and supplemented, including as amended and restated by Ordinance No. 28146, passed on April 30, 2013, collectively, the "Master Ordinance"), the City authorized Electric System Revenue Bonds of the City (the "Parity Bonds") to be issued in series having a parity of lien and charge on the Revenues of the Electric System after the payment of Operating Expenses (as those terms are defined therein), if certain conditions are met, and made covenants in connection with the issuance of such Parity Bonds, and

WHEREAS the City has issued and has currently outstanding the following Series of Parity Bonds:

Name of Bonds	Authorizing Ordinance	Dated Date	Original Principal Amount
2010 Bonds	27889	July 27, 2010	\$187,255,000
2013 Bonds	28146	June 13, 2013	181,610,000

which are outstanding in the total aggregate principal amount of approximately \$358,335,000, and

WHEREAS the Master Ordinance permits the City to issue obligations that are junior and subordinate to the payment of the Parity Bonds and that are payable from Revenues of the Electric System, after payment of the Operating Expenses, only after the prior payment of all amounts required to be paid or set aside under the



1 Master Ordinance for the Parity Bonds as the same shall become due at the times  
2 and in the manner as required in the Master Ordinance, and

3 WHEREAS the City Council (the "Council"), on April 21, 2015, passed  
4 Ordinance No. 28295 (the "Master Subordinate Ordinance") authorizing the  
5 issuance of revenue bonds of the City junior and subordinate to the Parity Bonds to  
6 be known as the City of Tacoma Electric System Subordinate Revenue Bonds in  
7 one or more series to finance costs of the Electric System, and

8 WHEREAS the Council, on April 21, 2015, also passed Ordinance No. 28296  
9 (the "Supplemental Subordinate Ordinance" and together with the Master  
10 Subordinate Ordinance, the "Subordinate Ordinance") authorizing the issuance of  
11 the 2015A Subordinate Revenue Note in an aggregate principal amount of up to  
12 \$100,000,000 (the "2015A Subordinate Note") to finance and refinance costs of the  
13 Electric System, and

14 WHEREAS the Public Utility Board of the City (the "Board") has initiated and  
15 has recommended to the Council for its approval the issuance of Parity Bonds to  
16 refund all or a portion of the 2015A Subordinate Note, and

17 WHEREAS it is deemed necessary and advisable to acquire and construct  
18 certain additions and betterments to and extensions of the Electric System, and

19 WHEREAS the Board has initiated and has recommended to the Council for  
20 its approval the issuance of Parity Bonds (collectively with the Parity Bonds issued  
21 to refund all or a portion of the 2015A Subordinate Note, the "2017 Bonds") to  
22 finance and refinance such capital improvements to the Electric System and to pay  
23 costs of issuance, and

24 WHEREAS the Council has determined that it is in the best interests of the  
25 City and its ratepayers to issue the 2017 Bonds to (i) refund all or a portion of the  
26 2015A Subordinate Note, (ii) finance or refinance costs of capital improvements to



1 the Electric System, (iii) fund a debt service reserve account for the 2017 Bonds,  
2 and (iv) pay the costs of issuance in connection with the 2017 Bonds, and

3 WHEREAS the City deems it in the best interests of the City and its  
4 ratepayers that the 2017 Bonds be sold to and purchased by Goldman Sachs & Co.  
5 LLC and Citigroup Global Markets Inc. (the "Underwriters") pursuant to a Bond  
6 Purchase Agreement (the "Bond Purchase Agreement"), and

7 WHEREAS Section 14.1 of the Master Ordinance provides in relevant part  
8 that the City may adopt at any time without the consent of the owners of any Parity  
9 Bonds an ordinance or ordinances supplemental to or amendatory of the Master  
10 Ordinance to among other things (i) provide for the issuance of Future Parity Bonds  
11 and to prescribe the terms and conditions pursuant to which such bonds may be  
12 issued, paid or redeemed, (ii) add covenants and agreements of the City for the  
13 purpose of further securing the payment of the Parity Bonds, and (iii) to insert such  
14 provisions clarifying matters or questions arising under the Master Ordinance as are  
15 necessary or desirable in the event any such modifications are not contrary to or  
16 inconsistent with the Master Ordinance as theretofore in effect, and

17 WHEREAS the City desires to provide for the issuance and sale of the  
18 2017 Bonds as a Series of Parity Bonds, and

19 WHEREAS the City desires to add certain covenants to the Master  
20 Ordinance to further secure the Parity Bonds, and

21 WHEREAS the Council hereby finds and determines that any and all acts,  
22 conditions and things required to exist, to happen and to be performed, precedent to  
23 and in the incurring of the indebtedness to be evidenced by the 2017 Bonds, and in  
24 the issuing of the 2017 Bonds, as of the date of issuance thereof, shall exist, have  
25 happened and have been performed in due time, form and manner, as required by  
26 the Constitution and statutes of the State and the Charter of the City, and that the



1 2017 Bonds are within every debt limitation and other limit prescribed by the  
2 Constitution and statutes of the State and the Charter, and is not in excess of the  
3 amount of Bonds permitted to be issued under the Master Ordinance; Now,  
4 Therefore,

5 BE IT ORDAINED BY THE CITY OF TACOMA:

6 **ARTICLE I**

7 **DEFINITIONS**

8 **Section 1.1. Definitions.** Capitalized terms used but not otherwise defined  
9 herein shall have the meanings set forth in the Master Ordinance, including any  
10 amendments to such terms as provided in Section 7.1 of this 2017 Supplemental  
11 Ordinance. In addition, as used in this 2017 Supplemental Ordinance, the following  
12 words shall have the following meanings:

13 i. "Board" has the meaning set forth in the recitals.

14 ii. "Bond Purchase Agreement" has the meaning set forth in the  
15 recitals.

16 iii. "Designated Representative" means the officer(s) of the City  
17 appointed in Section 3.2 to serve as the City's representative in connection  
18 with the issuance and sale of the 2017 Bonds.

19 iv. "Master Subordinate Ordinance" has the meaning set forth in  
20 the recitals.

21 v. "Plan of Additions" has the meaning set forth in Section 2.2.

22 vi. "Refunded Obligations" means that portion of the principal of  
23 the 2015A Subordinate Note specified by the Designated Representative  
24 pursuant to Section 3.3.

25 vii. "Subordinate Ordinance" has the meaning set forth in the  
26 recitals.



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viii. "Supplemental Subordinate Ordinance" has the meaning set forth in the recitals.

ix. "Tax-Exempt Bonds" has the meaning set forth in Section 7.3 in the new Section 13.15 of the Master Ordinance.

x. "2015A Subordinate Note" has the meaning set forth in the recitals.

xi. "2017 Bonds" has the meaning set forth in the recitals.

xii. "2017 Bonds Construction Account" means the account of that name created in the Construction Fund pursuant to Section 5.1.

xiii. "2017 Bonds Projects" means the facilities and projects to be financed or refinanced in whole or in part from proceeds of the 2017 Bonds, as provided in Section 2.2.

xiv. "2017 Bonds Reserve Subaccount" means the account of that name created in the Principal Account pursuant to Section 5.1.

xv. "Underwriters" has the meaning set forth in the recitals.

**Section 1.2. Authority for 2017 Supplemental Ordinance.** This 2017 Supplemental Ordinance is adopted pursuant to the laws of the State, the Tacoma City Charter and the Master Ordinance.

**ARTICLE II**

**PARITY AND OTHER FINDINGS**

**Section 2.1. Parity Findings.** In connection with the issuance of the 2017 Bonds, the City makes the following findings:

(A) There is, and as of the date of the issuance of the 2017 Bonds there will be, no deficiency in the Bond Fund and no Event of Default has occurred or shall have occurred and be continuing as of the Issue Date of the 2017 Bonds.



1 (B) This 2017 Supplemental Ordinance provides for the payment of the  
2 principal of and interest on the 2017 Bonds out of the Bond Fund.

3 (C) On the date of issuance of the 2017 Bonds, there will be on file with  
4 the City a certificate of the Finance Director stating that Net Revenues in twelve (12)  
5 consecutive months out of the most recent twenty-four (24) months preceding the  
6 authentication and delivery of the 2017 Bonds, as determined from the financial  
7 statements of the Electric System prepared by the Department of Public Utilities,  
8 were not less than one hundred twenty-five percent (125%) of maximum Annual  
9 Debt Service in any future Fiscal Year on all outstanding Parity Bonds and the  
10 2017 Bonds.

11 **Section 2.2. Plan of Additions.**

12 (A) The City specifies, adopts, and orders to be carried out the system or  
13 plan of capital additions to and betterments and extensions of the Electric System  
14 (the "Plan of Additions") as generally provided for in the capital portions of the 2015-  
15 2016 and 2017-2018 Biennial Budgets, as supplemented and amended, and in any  
16 subsequent such budgets if proceeds of the 2017 Bonds are available after 2018.

17 (B) The estimated cost of the Plan of Additions to be financed with the  
18 proceeds of the 2017 Bonds is not expected to exceed \$90,000,000. The portion of  
19 the Plan of Additions financed with proceeds of the 2017 Bonds is referred to herein  
20 as the "2017 Bonds Projects."

21 (C) The Plan of Additions shall include any amendments, supplements or  
22 revisions to the Electric System Comprehensive Plan. The Plan of Additions may  
23 be further modified by ordinance or resolution of the City.

24 (D) The Plan of Additions includes the purchase and installation of all  
25 materials, supplies, appliances, equipment (including, but not limited to, data  
26 processing hardware and software and conservation equipment) and facilities; the







1 the Master Ordinance. The 2017 Bonds shall constitute “Parity Bonds” within the  
2 meaning of the Master Ordinance.

3 (B) Purposes. The 2017 Bonds shall be issued to: (i) finance and  
4 refinance the costs of the 2017 Bonds Projects, (ii) refund the Refunded Obligations,  
5 (iii) fund a debt service reserve with respect to the 2017 Bonds, and (iv) pay costs of  
6 issuance in connection with the 2017 Bonds.

7 **Section 3.2. Appointment of Designated Representative.** The Director of  
8 Utilities, and, in the alternative, the Superintendent of the Power Division, each is  
9 appointed as the Designated Representative. The Designated Representative is  
10 authorized to issue and sell the 2017 Bonds and to establish and determine the  
11 terms of the 2017 Bonds, all as provided herein.

12 **Section 3.3. Final Terms of 2017 Bonds.** In determining the Final Terms  
13 applicable to the 2017 Bonds and taking such other actions as are delegated  
14 pursuant to this 2017 Supplemental Ordinance, the Designated Representative shall  
15 seek to achieve the lowest practicable true interest cost on the 2017 Bonds. The  
16 Final Terms shall be established by the Designated Representative pursuant to the  
17 Pricing Certificate within the following parameters:

18 (A) Refunded Obligations. The Designated Representative shall specify  
19 all or a portion of the 2017 Note as the Refunded Obligations which will be refunded  
20 from proceeds of the 2017 Bonds together with other available moneys, if any.

21 (B) Principal Amount. The 2017 Bonds may be issued in one or more  
22 Series and shall not exceed the aggregate principal amount of \$90,000,000.

23 (C) Date or Dates. Each Series of 2017 Bonds shall be dated as of its  
24 Issue Date, which date shall not be later than December 1, 2017.

25 (D) Denominations, Series Designation. The 2017 Bonds shall be issued  
26 in authorized denominations of \$5,000 or any integral multiple thereof within a



1 maturity, and shall be numbered separately in the manner and shall bear any  
2 additional name or designation as deemed necessary or appropriate by the  
3 Designated Representative.

4 (E) Interest Rates. The 2017 Bonds shall bear interest at fixed rates per  
5 annum (computed on the basis of a 360-day year of consisting of 12 months of  
6 30 days) from their Issue Date or from the most recent date to which interest has  
7 been paid or duly provided for, whichever is later; provided, that no rate of interest  
8 for any 2017 Bond may exceed seven percent (7%), and the true interest cost to the  
9 City for a Series of 2017 Bonds may not exceed six percent (6%).

10 (F) Payment Dates. Interest shall be payable semiannually on January 1  
11 and July 1, commencing no later than one year following the Issue Date. Principal  
12 payments shall commence on the interest payment date determined by the  
13 Designated Representative and shall be payable at maturity or in mandatory sinking  
14 fund redemption installments on such dates as are determined by the Designated  
15 Representative; provided, that no more than ten percent (10%) of the par amount of  
16 the 2017 Bonds shall mature or become due by mandatory sinking fund redemption  
17 in any Fiscal Year.

18 (G) Final Maturity. The 2017 Bonds shall have a final maturity no later  
19 than December 1, 2047.

20 (H) Redemption Rights. In his or her discretion, the Designated  
21 Representative may approve provisions for the optional and mandatory redemption  
22 of 2017 Bonds, as follows:

23 i. Optional Redemption. Any 2017 Bond may be designated as  
24 being (A) subject to redemption at the option of the City prior to its maturity date on  
25 the dates and at the prices determined by the Designated Representative; or (B) not  
26 subject to redemption prior to its maturity date. If a 2017 Bond is designated as



1 subject to optional redemption prior to its maturity, it shall be subject to such  
2 redemption on one or more dates beginning not more than eleven (11) years after  
3 the Issue Date at such premium or premiums if any as shall be determined by the  
4 Designated Representative not to exceed five percent (5%) of the principal amount  
5 thereof.

6           ii.       Mandatory Redemption. Any 2017 Bond may be designated  
7 as a Term Bond, subject to mandatory sinking fund redemption prior to its maturity  
8 on the dates and in the amounts determined by the Designated Representative.

9           (I)       Price. The purchase price for any Series of 2017 Bonds may not be  
10 less than 95 percent or more than 125 percent of the stated principal amount of that  
11 Series.

12           (J)       Reserve Account Requirement. The Designated Representative shall  
13 specify the Reserve Account Requirement, if any, with respect to the 2017 Bonds,  
14 which shall not exceed the amount permitted to be funded from proceeds of the  
15 2017 Bonds pursuant to the Code.

16           (K)       Bondowners' Trustee. The Designated Representative is hereby  
17 authorized and directed to appoint the Bondowners' Trustee prior to the sale of the  
18 2017 Bonds.

19           (L)       Other Terms and Conditions. The Designated Representative may  
20 determine to provide for Qualified Insurance with respect to the 2017 Bonds and/or  
21 the 2017 Bonds Reserve Subaccount. The Designated Representative is  
22 authorized to execute and deliver such documents, agreements and certificates as  
23 may be necessary or desirable to obtain such bond insurance or Reserve  
24 Insurance, each of such documents, agreements and certificates to be in such form  
25 as may be approved by the Designated Representative upon consultation with the  
26



1 City Attorney, such approval to be evidenced conclusively by the execution and  
2 delivery thereof.

3 **Section 3.4. Registered Bonds; Book-Entry.** The 2017 Bonds shall be  
4 issued in the form of a single fully-registered 2017 Bond for each maturity. The  
5 2017 Bonds shall be registered in the name of DTC or its nominee, and initially held  
6 in book-entry only form.

7 **Section 3.5. Form of 2017 Bonds.** The definitive 2017 Bonds shall be in  
8 substantially the form set forth in Exhibit A attached hereto and made a part hereof,  
9 with such appropriate variations, omissions and insertions as shall be required or  
10 appropriate consistent with the Master Ordinance and this 2017 Supplemental  
11 Ordinance.

## 12 **ARTICLE IV**

### 13 **SALE OF 2017 BONDS**

#### 14 **Section 4.1. Manner of Sale of 2017 Bonds.**

15 (A) Manner of Sale. The Designated Representative is authorized to sell  
16 the 2017 Bonds by negotiated sale pursuant to a bond purchase agreement or by  
17 competitive sale in accordance with a notice of sale, in each case consistent with  
18 this 2017 Supplemental Ordinance.

19 (B) Negotiated Sale. The City authorizes the Designated Representative  
20 to select and appoint one or more investment banks to serve as underwriter (the  
21 "Underwriters") for the 2017 Bonds in connection with any negotiated sale(s) thereof  
22 and approves the selection of Goldman Sachs & Co. LLC and Citigroup Global  
23 Markets Inc. as the Underwriters with respect to the 2017 Bonds. The 2017 Bonds  
24 shall be sold to the Underwriters in accordance with a Bond Purchase Agreement  
25 substantially in the form approved by the Board, with such changes and additions as  
26 the Designated Representative may approve upon consultation with the City



1 Attorney, such approval to be evidenced conclusively by the delivery to the  
2 Underwriters of such Bond Purchase Agreement as so added to or changed;  
3 provided, that the total compensation to the Underwriters shall not exceed five-  
4 tenths of one percent (0.5%) of the principal amount of the 2017 Bonds.

5 (C) Delivery of 2017 Bonds. The 2017 Bonds shall be delivered to the  
6 Underwriters upon payment of the purchase price therefor pursuant to the terms of  
7 the Bond Purchase Agreement.

8 **Section 4.2. Official Statement.**

9 (A) Preliminary Official Statement. The City authorizes and approves the  
10 preparation of a Preliminary Official Statement for the 2017 Bonds. For the sole  
11 purpose of the Underwriters' compliance with paragraph (b)(1) of Rule 15c2-12, the  
12 Designated Representative is authorized to "deem final" the Preliminary Official  
13 Statement as of its date, except for the omission of information permitted by  
14 Rule 15c2-12. The City authorizes and approves the distribution of the Preliminary  
15 Official Statement to prospective investors.

16 (B) Final Official Statement. The City authorizes and approves the  
17 preparation of a final Official Statement for the 2017 Bonds in the form of the  
18 Preliminary Official Statement, with such modifications and amendments as the  
19 Designated Representative deems necessary or desirable upon consultation with  
20 the City Attorney, such approval to be evidenced conclusively by the execution by  
21 the Designated Representative of said final Official Statement as so modified or  
22 amended. The City authorizes and approves the distribution of the final Official  
23 Statement to prospective investors.

24 **Section 4.3. Continuing Disclosure.** The City adopts with respect to the  
25 2017 Bonds the continuing disclosure undertaking with respect to the 2013 Bonds  
26



1 set forth in Article VIII of the Master Ordinance, effective as of the Issue Date of the  
2 2017 Bonds.

### 3 **ARTICLE V**

#### 4 **APPLICATION OF BOND PROCEEDS**

##### 5 **Section 5.1. Establishment and Designation of Accounts.**

6 (A) There is hereby created in the Construction Fund an account to be  
7 known as the 2017 Bonds Construction Account.

8 (B) There is hereby created in the Reserve Account in the Bond Fund a  
9 subaccount to be known as the 2017 Bonds Reserve Subaccount.

10 **Section 5.2. Deposit of Proceeds of 2017 Bonds.** Immediately upon  
11 receipt thereof, the City shall deposit the proceeds of the 2017 Bonds as follows:

12 (A) With the owner and holder of the Refunded Obligations an amount,  
13 together with other available moneys, if any, sufficient to pay the same;

14 (B) Into the 2017 Bonds Reserve Subaccount an amount equal to the  
15 Reserve Account Requirement with respect to the 2017 Bonds; and

16 (C) Into the 2017 Bonds Construction Account the remaining proceeds,  
17 which shall be applied to pay and reimburse the City for the costs of the 2017 Bonds  
18 Projects and to pay costs of issuance in connection with the 2017 Bonds.

19 **Section 5.3. Deposits Into and Uses of the 2017 Subaccounts in the**  
20 **Bond Fund.** The City obligates and binds itself irrevocably to set aside and to pay  
21 into the 2017 Bonds Interest Subaccount, the 2017 Bonds Principal Subaccount,  
22 and the 2017 Bonds Bond Retirement Subaccount, respectively, out of the  
23 Revenues the amounts necessary (together with other available moneys on hand  
24 therein) to pay the principal of, interest on and any mandatory sinking fund  
25 redemptions for the 2017 Bonds as and when the same respectively become due  
26 and payable in accordance with the terms hereof. The 2017 Bonds Interest



1 Subaccount, the 2017 Bonds Principal Subaccount, and the 2017 Bonds Bond  
2 Retirement Subaccount, respectively, shall be drawn upon solely for the purpose of  
3 paying the principal of, interest on and mandatory sinking fund redemptions for the  
4 2017 Bonds.

## 5 **ARTICLE VI**

### 6 **REFUNDING OF REFUNDED OBLIGATIONS**

#### 7 **Section 6.1. Refunding of the Refunded Obligations.**

8 (A) Use of Bond Proceeds. The portion of the proceeds of the  
9 2017 Bonds, together with other available money, allocated to refunding the  
10 Refunded Obligations shall be deposited and applied upon the receipt thereof to  
11 discharge the obligations of the City relating to the Refunded Obligations pursuant  
12 to and in accordance with the Subordinate Ordinance.

13 (B) Redemption of the Refunded Obligations. The proper City officials are  
14 authorized and directed to give or cause to be given such notices at the times and in  
15 the manner required pursuant to the Subordinate Ordinance in order to effect the  
16 payment and redemption of the Refunded Obligations.

## 17 **ARTICLE VII**

### 18 **AMENDMENTS TO MASTER ORDINANCE**

#### 19 **Section 7.1. Amendments to Definitions.**

20 (A) Except as may be otherwise provided in a Supplemental Ordinance  
21 with respect to a Series of Future Parity Bonds, the references in the following  
22 definitions in Section 1.1 of the Master Ordinance to "2013 Bonds" are amended to  
23 read "2013 Bonds and any Series of Future Parity Bonds":

- 24 i. "Code"
- 25 ii. "Final Terms"
- 26 iii. "Issue Date"



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iv. "Pricing Certificate"

v. "Series"

(B) The following definitions in Section 1.1 of the Master Ordinance are hereby amended to read as follows:

i. "Bondowners' Trustee" means the Trustee appointed by the City pursuant to Article XVI hereof.

ii. "Master Ordinance" means Ordinance No. 28146, passed on April 30, 2013, as supplemented and amended pursuant hereto.

iii. "Parity Bonds" means the bonds of the City issued pursuant to this Master Ordinance.

**Section 7.2. Amendments to Articles and Sections.** Except as may be otherwise provided in a Supplemental Ordinance with respect to a Series of Future Parity Bonds, the term "2013 Bonds" in the following Articles and Sections of the Master Ordinance is amended to read "2013 Bonds and any Future Parity Bonds":

i. Section 4.4. Registration, Exchange and Payments.

ii. Section 4.5. Redemption Terms.

iii. ARTICLE V. FORM AND GENERAL TERMS

iv. ARTICLE VII. REFUNDING OR DEFEASANCE

v. ARTICLE XIII. COVENANTS TO SECURE PARITY BONDS

vi. ARTICLE XV. DEFAULTS AND REMEDIES

vii. Section 17.1. Ordinance and Laws a Contract with Bondowners.

viii. Section 17.2. Benefits of Ordinance Limited to City, Bondowners, and Paying Agent.

**Section 7.3. Additional Covenants.** The following additional covenants are hereby added to Article XIII of the Master Ordinance:





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Section 13.13. Covenant to Comply with Licenses. The City shall at all times comply with the terms and conditions of any permits or licenses for the Electric System, or any property or facilities constituting a part thereof, issued by any federal or state governmental agency or body having jurisdiction thereof and with the power to issue orders with respect thereto and enforce the same, and with any federal or state law or regulation applicable to the construction, operation, maintenance and repair of the Electric System. The City shall use its best efforts to obtain renewals of such permits or licenses or obtain new permits or licenses unless such renewals or new permits or licenses are not, in the judgment of the Board, in the best interests of the City.

Section 13.14. Protection of Security. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and the rights of the owners of the Parity Bonds under this Master Ordinance against all claims and demands of all persons whatsoever.

Section 13.15. Tax Covenants. The City covenants that it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on any Parity Bonds the interest on which is tax-exempt under Section 103 of the Code (the "Tax-Exempt Bonds"). The City shall not directly or indirectly use or permit the use of any proceeds of the Tax-Exempt Bonds in such a manner as would adversely affect the exclusion of interest on any Tax-Exempt Bonds from gross income under Section 103 of the Code. The City shall not



1 directly or indirectly use or permit the use of any proceeds of any Tax-  
2 Exempt Bonds, or of any facilities financed thereby, or other funds of  
3 the City, or take or omit to take any action, that would cause any Tax-  
4 Exempt Bonds to be “arbitrage bonds” within the meaning of  
5 Section 148 of the Code. To that end, the City shall comply with all  
6 requirements of Section 148 of the Code and all regulations of the  
7 United States Department of the Treasury promulgated thereunder to  
8 the extent such requirements are, at the time, in effect and applicable  
9 to the Tax-Exempt Bonds.

10 Section 13.16. Further Assurances. The City shall at any and  
11 all times, insofar as it may be authorized to do so by law, pass, make,  
12 do, execute, acknowledge and deliver all and every such further  
13 resolutions, acts, assignments, instruments and assurances as may be  
14 necessary or desirable for the better assuring, granting, pledging,  
15 assigning and confirming any and all of the rights, revenues, funds and  
16 other property hereby granted, pledged or assigned to pay or secure  
17 the payment of the Parity Bonds, in the manner and to the extent  
18 provided herein.

19 **Section 7.4. Amendment to Article XIV.** The following Section 14.3 is  
20 hereby added to the Master Ordinance, and the existing Section 14.3 is hereby  
21 renumbered as Section 14.4:

22 Section 14.3 Consent of Bond Owners and Opinions. Each  
23 Supplemental Ordinance enacted pursuant to the provisions of  
24 Section 14.2 shall take effect only when and as provided in this  
25 Section. A copy of such Supplemental Ordinance (or brief  
26 summary thereof or reference thereto in form approved by the



1 Bondowners' Trustee), together with a request to Parity Bond  
2 owners for their consent thereto in form satisfactory to the  
3 Bondowners' Trustee, shall be sent by the Bondowners' Trustee to  
4 the Parity Bond owners, at the expense of the City, by first class  
5 mail, postage prepaid; provided, that a failure to mail such request  
6 shall not affect the validity of the Supplemental Ordinance when  
7 consented to as provided below. Such Supplemental Ordinance  
8 shall not be effective unless and until there shall have been filed  
9 with the Bondowners' Trustee the written consents of Parity Bond  
10 owners of the percentage of Bonds specified in Section 14.2 given  
11 as provided in Section 16.4. Any such consent shall be binding  
12 upon the Parity Bond owner giving such consent and upon any  
13 subsequent owner of such Parity Bonds and of any Parity Bonds  
14 issued in exchange therefor or in lieu thereof (whether or not such  
15 subsequent Parity Bond owner has notice thereof), unless such  
16 consent is revoked in writing by the Parity Bond owner giving such  
17 consent or a subsequent owner of such Parity Bonds by filing such  
18 revocation with the Bondowners' Trustee prior to the date the  
19 Bondowners' Trustee receives the required percentage of  
20 consents.

21 **Section 7.5. Bondowners' Trustee.** Section 15.2 of the Master Ordinance  
22 is hereby deleted. The following new Article XVI is hereby added to the Master  
23 Ordinance as the successor to the prior Section 15.2 and Article XVI, the latter of  
24 which was no longer effective upon the final payment, defeasance and redemption  
25 of the Bonds issued prior to the 2010 Bonds:  
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ARTICLE XVI  
BONDOWNERS' TRUSTEE

Section 16.1. Duties and Responsibilities of the Bondowners' Trustee.

(A) Prior to the occurrence of an Event of Default of which it has or is deemed to have notice hereunder, and after the curing or waiver of any Event of Default that may have occurred: (i) the Bondowners' Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Ordinance, and no implied covenants or obligations shall be read into this Master Ordinance against the Bondowners' Trustee; and (ii) in the absence of bad faith on its part, the Bondowners' Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Bondowners' Trustee that conform to the requirements of this Master Ordinance; but the Bondowners' Trustee is under a duty to examine such certificates and opinions to determine whether they conform to the requirements of this Master Ordinance.

(B) In case an Event of Default of which the Bondowners' Trustee has or is deemed to have notice hereunder has occurred and is continuing, the Bondowners' Trustee shall exercise such of the rights and powers vested in it by this Master Ordinance, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use in the conduct of such person's own affairs.

(C) No provision of this Master Ordinance shall be construed to relieve the Bondowners' Trustee from liability for its own negligent



1 action, its own negligent failure to act, or its own willful misconduct,  
2 except that: (i) this subsection shall not be construed to limit the effect  
3 of subsection B. of this Section; (ii) the Bondowners' Trustee is not  
4 liable for any error of judgment made in good faith by an authorized  
5 officer of the Bondowners' Trustee, unless it is proven that the  
6 Bondowners' Trustee was negligent in ascertaining the pertinent facts;  
7 (iii) the Bondowners' Trustee is not liable with respect to any action it  
8 takes or omits to be taken by it in good faith in accordance with the  
9 direction of the Parity Bond owners under any provision of this Master  
10 Ordinance relating to the time, method and place of conducting any  
11 proceeding for any remedy available to the Bondowners' Trustee, or  
12 exercising any trust or power conferred upon the Bondowners' Trustee  
13 under this Master Ordinance; and (iv) no provision of this Master  
14 Ordinance shall require the Bondowners' Trustee to expend or risk its  
15 own funds or otherwise incur any liability in the performance of any of  
16 its duties hereunder, or in the exercise of any of its rights or powers, if  
17 it has reasonable grounds for believing that the repayment of such  
18 funds or adequate indemnity against such risk or liability is not  
19 reasonably assured to it.

20 (D) The Bondowners' Trustee shall maintain proper books of  
21 record and accounts in which complete and correct entries shall be  
22 made of all investments and disbursements of proceeds in the Funds  
23 through the date ending six (6) years following the date on which all  
24 the Parity Bonds have been retired, and such records shall be  
25 available for inspection by the City upon reasonable notice.  
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(E) Whether or not expressly so provided, every provision of this Master Ordinance relating to the conduct or affecting the liability of or affording protection to the Bondowners' Trustee is subject to the provisions of this Section.

Section 16.2. Certain Rights of the Bondowners' Trustee.  
Except as otherwise provided in Section 16.1:

(A) The Bondowners' Trustee may rely and is protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(B) Any statement or certification of the City under this Master Ordinance shall be sufficiently evidenced by a certificate of the City (unless other evidence thereof is specifically prescribed), any request, direction, order or demand of the City under this Master Ordinance shall be sufficiently evidenced by an order of the City (unless other evidence thereof is specifically prescribed) and any ordinance or resolution of the Council may be sufficiently evidenced by a copy thereof certified by the Secretary of the Council;

(C) Whenever in the administration of this Master Ordinance the Bondowners' Trustee deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Bondowners' Trustee (unless other evidence thereof is specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate of the City;



1                   (D) The Bondowners' Trustee may consult with counsel and the  
2 written advice of such counsel or an opinion of Bond Counsel shall be  
3 full and complete authorization and protection for any action taken,  
4 suffered or omitted by it in good faith and in accordance with such  
5 advice or opinion;

6                   (E) The Bondowners' Trustee is under no obligation to exercise  
7 any of the rights or powers vested in it by this Master Ordinance at the  
8 request or direction of any of the Parity Bond owners unless the  
9 owners have offered to the Bondowners' Trustee security or indemnity  
10 reasonably satisfactory to the Bondowners' Trustee as to its terms,  
11 coverage, duration, amount and otherwise with respect to the costs,  
12 expenses and liabilities which may be incurred by it in compliance with  
13 such request or direction, and the provision of such indemnity shall be  
14 mandatory for any remedy taken upon direction of the owners of a  
15 majority in aggregate principal amount of the Outstanding Parity  
16 Bonds;

17                   (F) The Bondowners' Trustee is not required to make any  
18 inquiry or investigation into the facts or matters stated in any  
19 resolution, certificate, statement, instrument, opinion, report, notice,  
20 request, direction, consent, order, approval, bond, debenture or other  
21 paper or document but the Bondowners' Trustee, in its discretion, may  
22 make such further inquiry or investigation into such facts or matters as  
23 it may see fit and, if the Bondowners' Trustee determines to make such  
24 further inquiry or investigation, it is entitled to examine the books,  
25 records and premises of the City, in person or by agent or attorney;  
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(G) The Bondowners' Trustee may execute any of its trusts or powers or perform any duties under this Master Ordinance either directly or by or through agents or attorneys, and may in all cases pay, subject to reimbursement as provided in Section 16.5, such reasonable compensation as it deems proper to all such agents and attorneys reasonably employed or retained by it, and the Bondowners' Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by it;

(H) The Bondowners' Trustee is not required to take notice or deemed to have notice of any default or Event of Default hereunder, except an Event of Default under Section 16.1(A), unless an officer of the Bondowners' Trustee has actual knowledge thereof or has received notice in writing of such default or Event of Default from the City or the owners of at least 25 percent in aggregate principal amount of the Outstanding Parity Bonds, and in the absence of any such notice, the Bondowners' Trustee may conclusively assume that no such default or Event of Default exists;

(I) The Bondowners' Trustee is not required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Master Ordinance;

(J) In the event the Bondowners' Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Parity Bond owners, each representing less than a majority in aggregate principal amount of the Outstanding Parity Bonds, pursuant to the provisions of this Master Ordinance, the Bondowners' Trustee, in its sole discretion, may determine what action, if any, shall be taken;





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(K) The Bondowners' Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Master Ordinance shall extend to the Bondowners' Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Bondowners' Trustee's right to compensation, shall survive the Bondowners' Trustee's resignation or removal, the defeasance or discharge of this Master Ordinance and final payment of the Parity Bonds;

(L) The permissive right of the Bondowners' Trustee to take the actions permitted by this Master Ordinance shall not be construed as an obligation or duty to do so; and

(M) Except for information provided by the Bondowners' Trustee concerning the Bondowners' Trustee, the Bondowners' Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Parity Bonds, and the Bondowners' Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Parity Bonds.

Section 16.3. Bondowners' Trustee Not Responsible for Recitals. The recitals contained in this Master Ordinance and in the Parity Bonds (other than the certificate of authentication on the Parity Bonds) are statements of the City, and the Bondowners' Trustee assumes no responsibility for their correctness. The Bondowners' Trustee makes no representations as to the value, condition or sufficiency of any assets pledged or assigned as security for the Parity



1 Bonds, the right, title or interest of the City therein, the security  
2 provided thereby or by this Master Ordinance or the tax status of  
3 interest on the Parity Bonds. The Bondowners' Trustee is not  
4 accountable for the use or application by the City of any of the Parity  
5 Bonds or the proceeds of the Parity Bonds, or for the use or application  
6 of any money paid over by the Bondowners' Trustee in accordance  
7 with any provision of this Master Ordinance.

8 Section 16.4. Bondowners' Trustee May Own Parity Bonds.  
9 The Bondowners' Trustee, in its commercial banking or in any other  
10 capacity, may in good faith buy, sell, own, hold and deal in any of the  
11 Parity Bonds and may join in any action which any Parity Bond owner  
12 may be entitled to take with like effect as if it were not Bondowners'  
13 Trustee. The Bondowners' Trustee, in its commercial banking or in  
14 any other capacity, may also engage in or be interested in any financial  
15 or other transaction with the City and may act as depository,  
16 Bondowners' Trustee or agent for any committee of Parity Bond  
17 owners secured hereby or other obligations of the City as freely as if it  
18 were not Bondowners' Trustee. The provisions of this Section shall  
19 extend to affiliates of the Bondowners' Trustee.

20 Section 16.5. Compensation and Expenses of the Bondowners'  
21 Trustee.

- 22 (A) The City hereby covenants and agrees:
- 23 i. to pay to the Bondowners' Trustee compensation for
  - 24 all services rendered by it hereunder and under the other
  - 25 agreements relating to the Parity Bonds to which the
  - 26 Bondowners' Trustee is a party in accordance with terms



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agreed to from time to time, and, subsequent to default, in accordance with the Bondowners' Trustee's then-current fee schedule for default administration (the entirety of which compensation shall not be limited by any provision of law regarding compensation of a Bondowners' Trustee of an express trust);

ii. to reimburse the Bondowners' Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bondowners' Trustee in accordance with any provision of this Master Ordinance, any other agreement relating to the Parity Bonds to which it is a party or in complying with any request by the City or any securities credit rating agency with respect to the Parity Bonds, including the reasonable compensation, expenses and disbursements of its agents and counsel, except any such expense, disbursement or advance attributable to the Bondowners' Trustee's negligence or bad faith; and

iii. to indemnify, defend and hold the Bondowners' Trustee harmless from and against any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the office of Bondowners' Trustee under this Master Ordinance, including the costs of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.



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(B) In the event the Bondowners' Trustee incurs expenses or renders services in any proceedings under federal or state bankruptcy law relating to the City, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under federal or state bankruptcy law. As security for the performance of the obligations of the City under this Section, the Bondowners' Trustee shall have a lien prior to the lien securing the Parity Bonds and Payment Agreement Payments, which it may exercise through a right of set-off, upon all property or funds held or collected by the Bondowners' Trustee pursuant to this Master Ordinance. The obligations of the City to make the payments described in this Section shall survive discharge of this Master Ordinance, the resignation or removal of the Bondowners' Trustee and payment in full of the Parity Bonds.

Section 16.6. Qualifications of the Bondowners' Trustee. There shall at all times be a Bondowners' Trustee hereunder which shall be a corporation or banking association organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, which has a combined capital and surplus of at least \$100,000,000, or is an affiliate of a corporation or banking association meeting such capital and surplus requirement which guarantees the obligations and liabilities of the proposed Bondowners' Trustee, and which is subject to supervision or examination by federal or state banking authority. If such corporation or banking association publishes reports of condition at least annually, pursuant to law or the requirements of any



1 supervising or examining authority above referred to, then for purposes  
2 of this Section, the combined capital and surplus of such corporation or  
3 banking association shall be deemed to be its combined capital and  
4 surplus as set forth in its most recent report of condition so published.  
5 If at any time the Bondowners' Trustee shall cease to be eligible in  
6 accordance with the provisions of this Section, it shall resign promptly  
7 in the manner and with the effect specified in this Article.

8 Section 16.7. Resignation or Removal of the Bondowners'  
9 Trustee; Appointment of Successor Bondowners' Trustee.

10 (A) No resignation or removal of the Bondowners' Trustee and  
11 no appointment of a successor Bondowners' Trustee pursuant to this  
12 Article shall become effective until the acceptance of appointment by  
13 the successor Bondowners' Trustee under Section 16.8.

14 (B) The Bondowners' Trustee may resign at any time by giving  
15 written notice to the City. Upon receiving such notice of resignation,  
16 the City shall promptly appoint a successor Bondowners' Trustee by an  
17 instrument in writing. If an instrument of acceptance has not been  
18 delivered to the resigning Bondowners' Trustee within 30 days after the  
19 giving of such notice of resignation, the resigning Bondowners' Trustee  
20 or any owner of a Parity Bond then Outstanding may petition a court of  
21 competent jurisdiction for the appointment of a successor Bondowners'  
22 Trustee.

23 (C) Prior to the occurrence and continuance of an Event of  
24 Default hereunder, or after the curing or waiver of any such Event of  
25 Default, the City or the owners of a majority in aggregate principal  
26 amount of the Outstanding Parity Bonds may remove the Bondowners'



1 Trustee and shall appoint a successor Bondowners' Trustee. In the  
2 event there shall have occurred and be continuing an Event of Default  
3 hereunder, the owners of a majority in aggregate principal amount of  
4 the Outstanding Parity Bonds may remove the Bondowners' Trustee  
5 and shall appoint a successor Bondowners' Trustee. In each instance  
6 such removal and appointment shall be accomplished by an instrument  
7 or concurrent instruments in writing signed by the City or such Parity  
8 Bond owners, as the case may be, and delivered to the Bondowners'  
9 Trustee, the City and owners of the Outstanding Parity Bonds.

10 (D) If at any time: (i) the Bondowners' Trustee shall cease to be  
11 eligible and qualified under Section 16.6 and shall fail or refuse to  
12 resign after written request to do so by the City or the owner of any  
13 Parity Bond, or (ii) the Bondowners' Trustee shall become incapable of  
14 acting or shall be adjudged insolvent, or a receiver of the Bondowners'  
15 Trustee or its property shall be appointed, or any public officer shall  
16 take charge or control of the Bondowners' Trustee, its property or  
17 affairs for the purpose of rehabilitation, conservation or liquidation, then  
18 in either such case (A) the City may remove the Bondowners' Trustee  
19 and appoint a successor Bondowners' Trustee in accordance with the  
20 provisions of subsection (C) of this Section; or (B) any owner of a  
21 Parity Bond then Outstanding may, on behalf of the owners of all  
22 Outstanding Parity Bonds, petition a court of competent jurisdiction for  
23 removal of the Bondowners' Trustee and appointment of a successor  
24 Bondowners' Trustee.

25 (E) The City shall give written notice of each resignation or  
26 removal of the Bondowners' Trustee and each appointment of a



1 successor Bondowners' Trustee to each owner of Parity Bonds then  
2 Outstanding as listed in the Bond Register. Each such notice shall  
3 include the name and address of the applicable corporate trust office of  
4 the successor Bondowners' Trustee.

5 Section 16.8. Acceptance of Appointment by Successor  
6 Bondowners' Trustee.

7 (A) Every successor Bondowners' Trustee appointed hereunder  
8 shall execute, acknowledge and deliver to the City and the  
9 predecessor Bondowners' Trustee an instrument accepting its  
10 appointment. The resignation or removal of the retiring Bondowners'  
11 Trustee shall thereupon become effective, and the successor  
12 Bondowners' Trustee shall, without further act, deed or conveyance,  
13 become vested with all the estates, properties, rights, powers and  
14 duties of the predecessor Bondowners' Trustee. Upon the request of  
15 the City or the successor Bondowners' Trustee, the predecessor  
16 Bondowners' Trustee shall execute and deliver an instrument  
17 transferring to the successor Bondowners' Trustee all the estates,  
18 properties, rights, powers and duties of the predecessor Bondowners'  
19 Trustee under this Master Ordinance, shall duly assign, transfer,  
20 deliver and pay over to the successor Bondowners' Trustee all money  
21 and other property then held under this Master Ordinance, subject,  
22 however, to the lien provided for in Section 16.5, and shall deliver to  
23 the successor Bondowners' Trustee, all records maintained by the  
24 predecessor Bondowners' Trustee with respect to the Funds and the  
25 Parity Bonds and such records shall be proper books of record and  
26 accounts containing complete and correct entries. The successor



1 Bondowners' Trustee shall promptly give written notice of its  
2 appointment to the owners of all Parity Bonds Outstanding in the  
3 manner prescribed herein, unless such notice has previously been  
4 given.

5 (B) No successor Bondowners' Trustee shall accept  
6 appointment as provided in this Section unless, as of the date of such  
7 acceptance, it is eligible and qualified under the provisions of  
8 Section 16.6.

9 Section 16.9. Merger, Succession or Consolidation of  
10 Bondowners' Trustee. Any corporation or association: (i) into which  
11 the Bondowners' Trustee is merged or with which it is consolidated;  
12 (ii) resulting from any merger or consolidation to which the  
13 Bondowners' Trustee is a party; or (iii) succeeding to all or  
14 substantially all of the corporate trust business of the Bondowners'  
15 Trustee, shall be the successor Bondowners' Trustee without the  
16 execution or filing of any document or the taking of any further action.  
17 Any such successor must nevertheless be eligible and qualified under  
18 the provisions of Section 16.6.

19 Section 16.10. Notices to Bond Owners; Waiver.

20 (A) Where this Master Ordinance provides for notice to Parity  
21 Bond owners of any event, such notice shall be sufficiently given  
22 (unless otherwise expressly provided herein) if in writing and mailed,  
23 first-class postage prepaid, to each Parity Bond owner affected by  
24 each event, at such Parity Bond owner's address as it appears on the  
25 Bond Register, not later than the latest date, and not earlier than the  
26 earliest date, prescribed for the first giving of such notice. In any case





1 where notice to Parity Bond owners is given by mail, neither the failure  
2 to mail such notice nor any defect in any notice so mailed to any  
3 particular Parity Bond owner shall affect the sufficiency of such notice  
4 with respect to other Parity Bond owners. Where this Master  
5 Ordinance provides for notice in any manner, such notice may be  
6 waived in writing by the person entitled to receive such notice, either  
7 before or after the event, and such waiver shall be the equivalent of  
8 such notice. Waivers of notice by Parity Bond owners shall be filed  
9 with the Bondowners' Trustee, but such filing shall not be a condition  
10 precedent to the validity of any action taken in reliance upon such  
11 waiver.

12 (B) With respect to book-entry bonds, where this Master  
13 Ordinance provides for notice to the Parity Bond owners of the  
14 existence of, or during the continuance of, any Event of Default, or at  
15 any time upon the written request of the City, the Bondowners'  
16 Trustee, at the expense of the City, shall: (i) establish a record date for  
17 determination of the Persons entitled to receive such notice;  
18 (ii) request a securities position listing from the Securities Depository  
19 showing the participants holding positions in the Book-Entry Bonds  
20 affected by such notice as of the record date for such notice; (iii) mail,  
21 first class postage prepaid, copies of the notice as provided above to  
22 each participant identified in the securities position listing as holding a  
23 position in the Book-Entry Bonds as of the record date for the notice, to  
24 each nationally recognized municipal securities information repository  
25 and state information depository for the State, if any, and to any  
26 Person identified to the Bondowners' Trustee as a non-objecting



1 Beneficial Owner pursuant to the immediately following clause;  
2 (iv) request that the participant retransmit the notice to all Persons for  
3 which it served as nominee on the record date, including non-objecting  
4 Beneficial Owners, or retransmit the notice to objecting Beneficial  
5 Owners and provide a listing of non-objecting Beneficial Owners for  
6 whom the participant served as nominee on the record date to the  
7 Bondowners' Trustee, (v) provide on behalf of the City and not as its  
8 agent, an undertaking of the City to pay to any participant or other  
9 nominee (other than the Securities Depository) the reasonable costs of  
10 transmitting the notice to Persons for whom the participant acts as  
11 nominee; and (vi) provide as many copies of the notice as may be  
12 requested by any nominee owner of the Parity Bonds. Any default in  
13 performance of the duties required by this subsection shall not affect  
14 the sufficiency of notice to the Parity Bond owners given in accordance  
15 with subsection A. of this Section, or the validity of any action taken  
16 under this Master Ordinance in reliance on such notice to Parity Bond  
17 owners.

18 (C) Where this Master Ordinance provides for notice to the  
19 Parity Bond owners of any event, the form of the notice shall  
20 prominently include a title block, separate from the body of the notice,  
21 which shall include the following information: (i) the complete title of the  
22 Parity Bonds; (ii) the CUSIP number of each affected Parity Bond;  
23 (iii) the record date for the notice; and (iv) a summary of the notice.

24 (D) Any notice required or permitted by this Master Ordinance  
25 to be given to the Securities Depository shall be given to it in the  
26 manner provided by this Section for giving notice to Parity Bond



1 owners, and also shall be given in the format requested by the  
2 Securities Depository to such address as may be specified by the  
3 Securities Depository in writing to the Bondowners' Trustee.

4 **ARTICLE VIII**

5 **MISCELLANEOUS**

6 **Section 8.1. Ratification of Prior Acts.** Any action taken consistent with  
7 the authority but prior to the effective date of this 2017 Supplemental Resolution is  
8 hereby ratified, approved, and confirmed.

9 **Section 8.2. General Authorization.** The Director of Utilities, the  
10 Superintendent of the Power Division, and other appropriate officers, agents and  
11 employees of the City are authorized and directed to execute and deliver such  
12 documents, agreements and certificates and to take such other actions, upon  
13 consultation with the City Attorney, as may be necessary or desirable and in the  
14 best interests of the City to carry out the purposes and intents of this 2017  
15 Supplemental Ordinance and the transactions contemplated hereby.

16 **Section 8.3. Terms of 2017 Bonds Subject to the Master Ordinance.**  
17 Except as is otherwise expressly provided in this 2017 Supplemental Ordinance,  
18 every term and condition contained in the Master Ordinance shall apply to this  
19 2017 Supplemental Ordinance and to the 2017 Bonds with the same force and  
20 effect as if the same were herein set forth at length, with such omissions, variations  
21 and modifications thereof as may be appropriate to make the same conform to this  
22 2017 Supplemental Ordinance.

23 **Section 8.4. Ratification of the Master Ordinance.** Except as  
24 supplemented and amended by this 2017 Supplemental Ordinance, the Master  
25 Ordinance is ratified, approved and confirmed and shall continue in full force and  
26 effect in accordance with the terms and provisions thereof, as amended and



1 supplemented, including as amended and supplemented by this 2017 Supplemental  
2 Ordinance.

3 **Section 8.5. Repealer.** The ordinances of the City authorizing and setting  
4 forth the terms and provisions of the Parity Bonds issued prior to the 2010 Bonds,  
5 which Parity Bonds have been deemed to be no longer outstanding under such  
6 ordinances, are hereby repealed and shall be of no further force or effect.

7 **Section 8.6. Severability.** If any one or more of the provisions of this  
8 2017 Supplemental Ordinance is or are held by any court of competent jurisdiction  
9 to be contrary to law, then such provision or provisions shall be null and void and  
10 shall be deemed separable from the remaining provisions and shall in no way affect  
11 the validity of the other provisions of this 2017 Supplemental Ordinance.

12 **Section 8.7. Effective Date of Ordinance.** This 2017 Supplemental  
13 Ordinance shall take effect and be in force 10 days from and after its publication.

14  
15 Passed: \_\_\_\_\_

16  
17 \_\_\_\_\_  
Mayor

18 Attest:  
19  
20 \_\_\_\_\_

City Clerk

21 Approved as to form:  
22 ORRICK, HERRINGTON & SUTCLIFFE LLP  
23

24 \_\_\_\_\_

25 Requested by Public Utility Board  
26 Resolution No. U-10937



**EXHIBIT A**  
**(FORM OF 2017 BONDS)**

**STATE OF WASHINGTON**  
**CITY OF TACOMA**  
**ELECTRIC SYSTEM REVENUE BONDS,**  
**SERIES 2017**

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Registered Owner: \_\_\_\_\_

Principal Sum: \$[AMOUNT]

The CITY OF TACOMA, a municipal corporation duly organized and existing under and pursuant to the Charter of the City of Tacoma and the Constitution and laws of the State of Washington (hereinafter called the "City"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner hereinabove named or registered assigns, the principal amount hereof, together with unpaid accrued interest thereon, on the dates, at the rates and in the amounts as provided in the Master Ordinance (as hereinafter defined). This Bond is issued pursuant to Ordinance No. 28146 of the City, passed on April 30, 2013, as amended and supplemented, including as supplemented by Ordinance No. \_\_\_\_ of the City, passed on April \_\_, 2017, providing for the issuance of the Bonds, including the 2017 Bonds (hereinafter collectively called the "Master Ordinance"). Interest shall be calculated on the basis of actual days elapsed in a 360 day year consisting of twelve 30-day months. Payments shall be made solely from Revenues, after payment of Operating Expenses (as defined in the Master Ordinance), to the registered owner stated hereinabove by the Paying Agent without the necessity of presentation and surrender of this Bond.

This Bond is one of a duly authorized issue of Electric System Revenue Bonds of the City (hereinafter called the "Bonds") of the series and designation indicated on the face hereof. Said authorized issue of Bonds is not limited in aggregate principal amount and consists of multiple series and subseries of



1 varying denominations, dates, maturities, interest rates and other provisions, as  
2 provided in the Master Ordinance, all issued and to be issued pursuant to the  
3 provisions of the Charter of the City of Tacoma and applicable laws of the State  
4 of Washington (hereinafter collectively called the "Act").

5         Reference is hereby made to the Master Ordinance and to the Act for a  
6 description of the terms on which the Bonds are issued and to be issued, the  
7 provisions with regard to the nature and extent of the Revenues, as that term is  
8 defined in the Master Ordinance, and the rights of the registered owners of the  
9 Bonds; and all the terms of the Master Ordinance and the Act are hereby  
10 incorporated herein and made a contract between the City and the registered  
11 owner from time to time of this Bond, and to all the provisions thereof the  
12 registered owner of this Bond, by its acceptance hereof, consents and agrees.  
13 Additional series of Bonds may be issued on a parity with this Bond, but only  
14 subject to the conditions and limitations contained in the Master Ordinance.  
15 This Bond is subject to optional and mandatory redemption as provided in the  
16 Master Ordinance.

17         This Bond, including the interest hereon, together with all other Bonds,  
18 and the interest thereon, issued under the Master Ordinance (and to the extent  
19 set forth in the Master Ordinance), is payable from, and is secured by a charge  
20 and lien on, the Revenues, after payment of Operating Expenses, derived by the  
21 City from the Electric System (as those terms are defined in the Master  
22 Ordinance).

23         The Bonds are special limited obligations of the City payable from and  
24 secured solely by Net Revenues of the Electric System and by other money and  
25 assets specifically pledged under the Master Ordinance for the payment thereof.  
26 Pursuant to the Master Ordinance, the City has pledged as security for the



1 payment of the principal of, premium, if any, and interest on the Bonds in  
2 accordance with the provisions of the Master Ordinance, subject only to the  
3 provisions of the Master Ordinance restricting or permitting the application  
4 thereof for the purposes and on the terms and conditions set forth in the Master  
5 Ordinance: (i) the proceeds of the sale of the Bonds to the extent held in funds  
6 established by the Master Ordinance, (ii) Net Revenues, and (iii) the money and  
7 investments, if any, credited to the Revenue Fund and the Bond Fund, and the  
8 income therefrom.

9         The Bonds are not general obligations of the City, or the State of  
10 Washington, or a charge upon any general fund or other property of the City or  
11 the State of Washington not specifically pledge thereto by the Master  
12 Ordinance, and neither the full faith and credit nor the taxing power of the City or  
13 of the State of Washington, nor any revenues of the City derived from sources  
14 other than the Electric System, are pledged to the payment hereof. No holder of  
15 this Bond shall ever have the right to compel any exercise of the taxing power of  
16 the City of Tacoma to pay this Bond or the interest hereon.

17         This Bond is transferable by the registered owner hereof, but only in the  
18 manner and subject to the limitations provided in the Master Ordinance. Upon  
19 such transfer a new fully registered Bond for the same aggregate principal  
20 amount will be issued to the transferee in exchange herefor.

21         The rights and obligations of the City and of the registered owners of the  
22 Bonds may be modified or amended at any time in the manner, to the extent,  
23 and upon the terms provided in the Master Ordinance; provided, that no such  
24 amendment shall (a) extend the date of payment of the principal of any Bond or  
25 of any installment of interest thereon or reduce the principal or redemption price  
26 thereof or the rate of interest thereon or advance the date upon which any Bond



1 may first be called for redemption prior to its fixed maturity date; (b) give to any  
2 Bond or Bonds any preference over any other Bond or Bonds secured equally  
3 and ratably therewith; (c) reduce the aforesaid percentage of Bonds, the owners  
4 of which are required to consent to any ordinance amending the provisions of  
5 the Master Ordinance; or (d) authorize the creation of any pledge prior to or,  
6 except as provided in the Master Ordinance for the issuance of future Bonds, on  
7 a parity with the pledge afforded by the Master Ordinance, without the consent  
8 of the owner of each such Bond affected thereby.

9         It is hereby certified and recited that any and all acts, conditions and  
10 things required to exist, to happen and to be performed, precedent to and in the  
11 incurring of the indebtedness evidenced by this Bond, and in the issuing of this  
12 Bond, do exist, have happened and have been performed in due time, form and  
13 manner, as required by the Constitution and statutes of the State of Washington  
14 and the Charter of the City of Tacoma, and that this Bond, together with all other  
15 indebtedness of the City pertaining to the Electric System, is within every debt  
16 limitation and other limit prescribed by the Constitution and statutes of the State  
17 of Washington and said Charter, and is not in excess of the amount of Bonds  
18 permitted to be issued under the Master Ordinance.

19         This Bond shall not be entitled to any benefit under the Master  
20 Ordinance, or become valid or obligatory for any purpose, until the certificate of  
21 authentication hereon endorsed shall have been signed by the Paying Agent.  
22 This Bond is a valid and binding obligation of City.

23         IN WITNESS WHEREOF, the CITY OF TACOMA has caused this Bond  
24 to be executed in its name and on its behalf by its \_\_\_\_\_ and  
25  
26





1 countersigned by its \_\_\_\_\_, and the seal of said City to be imprinted or  
2 reproduced by facsimile hereon, and this Bond to be dated as of the \_\_\_\_ day of  
3 \_\_\_\_\_, \_\_\_\_.

4 CITY OF TACOMA

5 By

6 Title

7 Countersigned:

8 By

9 Title

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**CERTIFICATE OF AUTHENTICATION**

This is the Bond described in the within-mentioned Master Ordinance.

[NAME], as Paying Agent and Bond Registrar

By

Authorized Signatory

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

\_\_\_\_\_

(Name, address, and Taxpayer Identification Number of Assignee)

this Bond and all rights thereunder, hereby irrevocably constituting and appointing

\_\_\_\_\_ attorney to transfer said Bond on the books of the

City with full power of substitution in the premises.

Dated:

Signature(s) Guaranteed

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Bond, in every particular, without alteration or enlargement or any change whatsoever.



## ORDINANCE NO. 28445

1 AN ORDINANCE of the City of Tacoma, Washington, recommending the  
2 defeasance of certain outstanding Electric System Revenue Bonds,  
3 2013 Series A.

4 WHEREAS the City of Tacoma (the "City"), by Ordinance No. 28146  
5 passed on April 30, 2013, (the "2013 Bond Ordinance"), issued for the benefit of  
6 its Department of Public Utilities, Light Division (d.b.a. "Tacoma Power")  
7 \$181,610,000 principal amount of Electric System Revenue Bonds, 2013  
8 Series A (the "2013A Bonds"), of which \$151,460,000 is currently outstanding,  
9 and

10 WHEREAS Section 7.1 of Ordinance No. 28146 provides that the City  
11 may use money available from any lawful source to pay the principal of and  
12 interest on the 2013A Bonds, as the same shall become due and payable, and to  
13 defease the 2013A Bonds, and

14 WHEREAS, pursuant to Section 4.11 of the Tacoma City Charter, all  
15 matters relating to the incurring of indebtedness and the issuance of bonds shall  
16 be initiated by the Public Utility Board and approved by the City Council, and

17 WHEREAS the Public Utility Board has determined that it is in the best  
18 interest of the customers of Tacoma Power and the citizens of the City of  
19 Tacoma to use up to \$28 million of available cash to defease certain of the  
20 outstanding 2013A Bonds; Now, Therefore,

21 BE IT ORDAINED BY THE CITY OF TACOMA:

22 Section 1. Provision for Defeasance. That the City shall provide for the  
23 payment of the principal of and interest on certain of the outstanding 2013A  
24



1 Bonds (collectively, the “Defeased Bonds”), by the application of electric  
2 revenues to acquire direct obligations of, or obligations the principal of and  
3 interest on which are unconditionally guaranteed by the United States  
4 Government (“Government Obligations”), and to pay all costs incurred in  
5 establishing and implementing the plan of defeasance provided for by this  
6 Ordinance.

7       The City Council hereby irrevocably calls for redemption of the Defeased  
8 Bonds in accordance with the provisions of Section 7.1 of Ordinance No. 28146,  
9 authorizing the redemption of up to \$28 million of the Defeased Bonds prior to  
10 their maturities.  
11

12       Section 2. Defeasance Fund and Appropriation of Money. The City  
13 Council hereby creates a special fund for the Defeased Bonds to be known as  
14 the “Electric System Revenue Bonds, 2013A Defeasance Fund” (the  
15 “Defeasance Fund”). The Defeasance Fund shall be used solely for the purpose  
16 of paying the principal of, interest on, and redemption price of the Defeased  
17 Bonds. The Government Obligations and the cash deposited with the  
18 Defeasance Agent shall be sufficient to provide money to pay the principal of,  
19 interest on, and redemption price of the Defeased Bonds as the same shall  
20 become due.  
21  
22

23       The defeasance and call for redemption of the Defeased Bonds shall be  
24 irrevocable after the establishment and funding of the Defeasance Fund and  
25 delivery of the Government Obligations to the Defeasance Agent, except as  
26 provided in the Defeasance Agreement relating to the substitution of securities.



1 Section 3. Defeasance Agent and Agreement. The Director of Finance,  
2 or official acting in such capacity, is hereby authorized to appoint a bank or trust  
3 company to serve as Defeasance Agent for the Defeased Bonds. The  
4 Defeasance Agent is hereby authorized and directed to pay to the paying agents  
5 for the Defeased Bonds sums sufficient to pay, when due, the principal of,  
6 interest on, and redemption price of the Defeased Bonds. All such sums shall be  
7 paid from the money and Government Obligations deposited with the  
8 Defeasance Agent and the income therefrom and proceeds thereof. All such  
9 sums so paid shall be credited to the Defeasance Fund. All money and  
10 securities deposited with the Defeasance Agent and any income therefrom shall  
11 be held, invested and applied in accordance with the provisions of this Ordinance  
12 and the laws of the State of Washington for the benefit of the City and owners of  
13 the Defeased Bonds.  
14

15 In accordance with the provisions of the Bond Ordinance, no further  
16 payments shall be made into the Bond Fund securing the Defeased Bonds.  
17 Such Defeased Bonds shall cease to be entitled to any lien, benefit or security of  
18 the Bond Ordinance, except the right to receive payment from the Defeasance  
19 Fund, and such bonds shall no longer be deemed to be outstanding.  
20

21 The Director of Finance of the City, or official acting in such capacity, is  
22 authorized to enter into an agreement with the Defeasance Agent providing for  
23 the irrevocable deposit of Government Obligations and cash for the purposes  
24 described in this Ordinance and setting forth the duties, obligations and  
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responsibilities of the Defeasance Agent in connection with the payment of the principal of and interest on the Defeased Bonds as provided herein.

Section 4. Verification Agent. The Director of Finance, or official acting in such capacity, is hereby authorized to appoint a verification agent in connection with this defeasance.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
City Attorney

Requested by Public Utility Board  
Resolution No. U-10938