



RESOLUTION NO. U-11059

1 A RESOLUTION related to the purchase of materials, supplies, equipment
2 and the furnishing of services; authorizing the City officials to enter into
3 contracts and, where specified, waive competitive bidding requirements,
4 authorize sale of surplus property, or increase or extend existing
agreements.

5 WHEREAS the City of Tacoma, Department of Public Utilities, requested
6 bids/proposals for the purchase of certain materials, supplies, equipment and/or
7 the furnishing of certain services, or proposes to purchase off an agreement
8 previously competitively bid and entered into by another governmental entity, or
9 for the sales of surplus, or desires to increase and/or extend an existing
10 agreement, all as explained by the attached Exhibit "A," which by this reference
11 is incorporated herein, and
12

13 WHEREAS in response thereto, bids/proposals (or prices from another
14 governmental agreement) were received, all as evidenced by Exhibit "A," and
15

16 WHEREAS the Board of Contracts and Awards and/or the requesting
17 division have heretofore made their recommendations, which may include
18 waiver of the formal competitive bid process because it was not practicable to
19 follow said process, or because the purchase is from a single source, or there is
20 an emergency that requires such waiver, and/or waiver of minor deviations, and
21 in the case of sale of surplus, a declaration of surplus has been made certifying
22 that said items are no longer essential for continued effective utility service, as
23 explained in Exhibit "A," and
24
25
26



1 WHEREAS the Director requests authorization, pursuant to
2 TMC 1.06.269 A, to amend contract amounts up to \$200,000 and to approve
3 term extensions and renewals for all items contained in Exhibit "A;" Now,
4 therefore,

5 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

6 That the Public Utility Board of the City of Tacoma hereby concurs and
7 approves the recommendations of the Board of Contracts and Awards and/or
8 the requesting division, and approves, as appropriate: (1) the purchase and/or
9 furnishing of those materials, supplies, equipment or services recommended for
10 acceptance; (2) the sale of surplus materials, supplies or equipment
11 recommended for acceptance; (3) the Interlocal agreement that authorizes
12 purchase off another governmental entity's contract; (4) the increase and/or
13 extension of an existing agreement, and said matters may include waiver of the
14 formal competitive bid process and/or waiver of minor deviations, all as set forth
15 on Exhibit "A," and authorizes the execution, delivery and implementation of
16 appropriate notices, contracts and documents by the proper officers of the City
17 for said transactions, and (5) the administrative authority of the Director, per
18 TMC 1.06.269 A., to amend contract amounts up to \$200,000 and to approve
19 term extensions and contract renewals for all items in Exhibit "A."
20
21

22 Approved as to form and legality:

23 *[Signature]*
24 Chief Deputy City Attorney

Chair

Secretary

25 _____
26 Clerk

Adopted _____

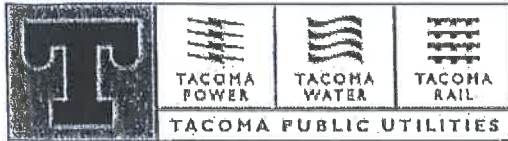


EXHIBIT "A"

RESOLUTION NO.: U-1059

ITEM NO.: 1

MEETING DATE: 2-27-19

TO: Board of Contracts and Awards
FROM: Tenzin Gyaltzen, Click! Network General Manager
Pam Burgess, Click! Business Operations Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: Increase and extend the contract for Customer Management and Billing System Request for Proposals Specification No. PC12-0298F, Contract No. 4600008470 – February 27, 2019
DATE: February 11, 2019

RECOMMENDATION SUMMARY:

Tacoma Public Utilities, Light Division, dba Click! Network requests approval to increase SAP Contract No. 4600008470 with Great Lakes Data Systems, Inc. (GLDS) by \$342,000, for customer management and billing system software and related services to produce, house and store Click! Cable TV customer billing statements, and to affirm the exercise of a second two-year renewal term. This increase will bring the contract to a cumulative amount of \$1,619,000, plus applicable sales tax, and extend the term through March 31, 2021.

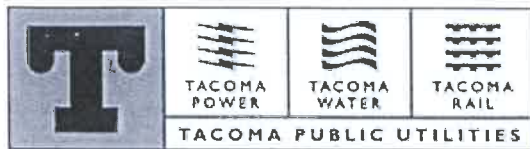
BACKGROUND:

Cable television systems require specialized billing software that interfaces and communicates with digital video system control equipment to provide access control corresponding to video package subscriptions. The procurement activity that resulted in this contract with Great Lakes Data Systems, Inc. was undertaken as a cost-savings measure in an attempt to lower the billing-related costs Click! was experiencing. Click! ongoing video distribution operations require the ongoing use of a billing software that provides this communication in order to manage the customer subscriptions and corresponding billings to generate revenue for Click!

ISSUE: Click! Cable TV requires third-party services to manage telecommunications customer accounts and produce, house and store customer billing statements to its retail and wholesale customers. Additional authorized funding is required to fund the remaining term of the contract.

ALTERNATIVES: A different third-party vendor could be solicited through a competitive bidding process. That process would require several months to accomplish, payment of costs to implement a new vendor software, and mapping and planning for conversion from existing software to new software. Click! does not currently have sufficient personnel to accomplish a billing system conversation. Additionally, it is uncertain whether a new competitive bidding process and related bid award followed by implementation activities could be accomplished prior to a potential lease of Click! operations to a third party. Orderly transition to a third party of customer account data and monthly billing in excess of \$2,000,000 could be jeopardized or disrupted by implementation of a new billing system.

CONTRACT HISTORY: The original Contract was awarded December 12, 2012 by Resolution U-10580, in the amount of \$825,000. The cumulative amount has been increased once, by \$452,000 in 2017, to a total of \$1,277,000 as authorized by Resolution U-10915. This increase will bring the contract to a cumulative total of \$1,619,000 plus applicable sales tax, and extend the term to March 31, 2021.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700-TELE 2019/2020 O&M budget	552600	5330100	\$432,000
TOTAL			\$432,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$432,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A

A handwritten signature in blue ink, reading 'Chris Robinson'.

Chris Robinson, Power Superintendent/COO

APPROVED:

A handwritten signature in blue ink, reading 'Jackie Flowers'.

Jackie Flowers / Director of Utilities

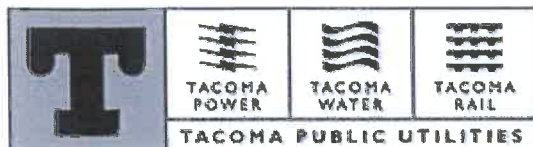


EXHIBIT "A"

RESOLUTION NO.: 6-11059

ITEM NO.: 2

MEETING DATE: 2-27-19

TO: Board of Contracts and Awards
FROM: Joseph A. Wilson, Transmission & Distribution Manager
Don Ashmore, Fleet Manager, Transmission & Distribution/Fleet Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
Coordinator, and Jessica Tonka, Finance/Purchasing
SUBJECT: Purchase of Motor Vehicles
WA State Contract No. 05916 – February 13, 2019
DATE: January 29, 2019

RECOMMENDATION SUMMARY: Tacoma Public Utilities (TPU) Fleet Services recommends a contract be awarded to Bud Clary Auto Group, Longview, WA, for the purchase of various new motor vehicles planned for replacement in 2019-2020 in the amount of \$441,000.00, plus applicable taxes, for an initial contract term of February 1, 2019 to January 5, 2021 with the options to renew with a final term end date of January 5, 2025, pending the State's approval.

BACKGROUND:

The typical replacement criterion has been ten years or 100,000 miles for light-duty equipment. These are very general guidelines and Fleet Services works with the assigned workgroups to determine the actual replacement schedule based on use, specific maintenance issues, changes in technology, changes in work needs, etc. The vehicles replaced may end up being assigned to other work areas or will be sold at public auction using City surplus procedures.

ISSUE: The contract amount requested is the total estimated replacement costs that include the base price plus options planned for new vehicle purchases. There is no guaranteed or minimum purchase requirement. The new vehicles (detailed on the attached list), will be assigned across TPU divisions for workgroups to use in fulfilling work responsibilities throughout our service area to include outlying site locations such as Water's Green River Watershed and McMillin Reservoir; Power's Cowlitz, Nisqually, Wynoochee, and Cushman Projects. The new vehicles will replace existing vehicles subject to Fleet replacement criteria, which addresses a combination of mileage, age, mechanical condition, and job suitability.

ALTERNATIVES

Not increasing these contracts and utilizing the State contract for new vehicle purchases would require us to have to develop our own request for bid specifications for each vehicle individually or alternatively, not replace vehicles that have reached their useful life and are no longer cost effective to maintain.

COMPETITIVE SOLICITATION:

This contract was awarded by vehicle category types to multiple vendors as a result of State of Washington Invitation for Bid 05916. The contract term is January 5, 2017 through January 5, 2021, and has options to extend with a final term end date of January 5, 2025, pending the State's approval. The vehicles are ordered with specified options as needed however, are



subject to an order cutoff date determined by the various vehicle-manufacturing companies in order to meet model year production.

Through an interlocal cooperative purchasing agreement, the City of Tacoma purchases will be at State contract prices and terms, and meet competitive bidding requirements. Utilizing this State contract is the most cost-effective means as price concessions received by the State exceed those TPU would receive as a single entity. This is due to the high quantity of purchases made by State agencies, as well as municipalities and other government agencies.

CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

Funds for this are available in the 2019-2020 budget of the Department of Public Utilities for the Power, Water and Rail Divisions and the Fleet Services Fund.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5050 – TPU Fleet Services		5641500	\$441,000.00
TOTAL			\$441,000.00

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
			\$
TOTAL			\$



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$441,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED N/A.

Chris Robinson, Power Superintendent/COO

Scott Dewhirst
Water Superintendent

Dale King
Rail Superintendent

APPROVED:

Jackie Flowers / Director of Utilities

Equipment	Description	Functional Loc.	Planned		Contract Vendor
			Repl Year	Estimated Cost	
7112471 02 FORD FOCUS SW	FM-U-FS-C-PWR -CLK	-552200	2019	\$45,000.00	Bud Clary
7115620 05 HONDA CIVIC HYBRID SDN	FM-U-FS-C-PWR -ES	-562300	2019	\$45,000.00	Bud Clary
7118019 09 TOYOTA CAMRY HEV	FM-U-FS-C-PWR -ES	-562300	2019	\$45,000.00	Bud Clary
7117946 09 CHEV COLORADO XC 4x4 PU	FM-U-FS-C-PWR -TD	-562800	2019	\$65,000.00	Bud Clary
7117947 09 CHEV COLORADO XC 4x4 PU	FM-U-FS-C-PWR -TD	-562800	2019	\$65,000.00	Bud Clary
7118015 09 CHEV 1500 SILVERADO XC 4x4 PU	FM-U-FS-C-PWR -TD	-563302	2019	\$65,000.00	Bud Clary
7119613 12 DODGE RAM 1500 PU XC 1/2T 4X4	FM-U-FS-C-RAIL-F4500	-592101	2019	\$65,000.00	Bud Clary
7118355 10 CHEV SILVERADO PU CC 3/4T 4X4	FM-U-FS-C-WTR -QUAL	-583200	2019	\$46,000.00	Bud Clary
				\$441,000.00	



EXHIBIT "A"

RESOLUTION NO.: U-11059
ITEM NO.: 3
MEETING DATE: 2-27-19

TO: Board of Contracts and Awards
FROM: Joseph A. Wilson, Transmission & Distribution Manager
Don Ashmore, Fleet Manager, Transmission & Distribution/Fleet Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
Coordinator, and Jessica Tonka, Finance/Purchasing
SUBJECT: Purchase of Motor Vehicles – Increase Contracts
WA State Contract No. 05916, Contract Nos. 4600012883 & 4600012884 –
February 13, 2019
DATE: January 29, 2019

RECOMMENDATION SUMMARY: Tacoma Public Utilities (TPU) Fleet Services requests approval to increase Contract 4600012883, to Columbia Ford Lincoln, Longview, WA by \$5,825,500.00, plus applicable taxes and Contract 4600012884 to Northsound Auto Group LLC, Everett, WA by \$852,500.00 plus applicable taxes, to continue purchasing various new motor vehicles planned for replacement in 2019-2020. These contract increases combined reflect a total request of \$6,678,000.00, plus applicable taxes.

The increases requested will bring the contract with Columbia Ford Lincoln to a cumulative total of \$7,755,500.00, and the contract with Northsound Auto Group LLC to a cumulative total of \$1,812,500.00 plus applicable taxes.

BACKGROUND:

The typical replacement criterion has been ten years or 100,000 miles for light-duty equipment. These are very general guidelines and Fleet Services works with the assigned workgroups to determine the actual replacement schedule based on use, specific maintenance issues, changes in technology, changes in work needs, etc. The vehicles replaced may end up being assigned to other work areas or will be sold at public auction using City surplus procedures.

ISSUE: The contract increase amounts requested are the total estimated replacement costs that include the base price plus options planned for new vehicle purchases. There is no guaranteed or minimum purchase requirement. The new vehicles (detailed on the attached list), will be assigned across TPU divisions for workgroups to use in fulfilling work responsibilities throughout our service area to include outlying site locations such as Water's Green River Watershed and McMillin Reservoir; Power's Cowlitz, Nisqually, Wynoochee, and Cushman Projects. The new vehicles will replace existing vehicles subject to Fleet replacement criteria, which addresses a combination of mileage, age, mechanical condition, and job suitability.

ALTERNATIVES:

Not increasing these contracts and utilizing the State contract for new vehicle purchases would require us to have to develop our own request for bid specifications for each vehicle individually or alternatively, not replace vehicles that have reached their useful life and are no longer cost effective to maintain.



COMPETITIVE SOLICITATION:

Contracts were awarded by vehicle category types to multiple vendors as a result of State of Washington Invitation for Bid 05916. The contract term is January 5, 2017 through January 5, 2021, and has options to extend with a final term end date of January 5, 2025, pending the State's approval. The vehicles are ordered with specified options as needed however, are subject to an order cutoff date determined by the various vehicle-manufacturing companies in order to meet model year production.

Through an interlocal cooperative purchasing agreement, the City of Tacoma purchases will be at State contract prices and terms, and meet competitive bidding requirements. Utilizing this State contract is the most cost-effective means as price concessions received by the State exceed those TPU would receive as a single entity. This is due to the high quantity of purchases made by State agencies, as well as municipalities and other government agencies.

CONTRACT HISTORY: These contracts were originally approved on September 13, 2017 per Public Utility Board Resolution No. U-10953 #3. The initial contracts were approved for \$1,730,000.00 to Columbia Ford and \$960,000.00 to Northsound Auto Group LLC plus applicable taxes, for the planned motor vehicle purchases for 2017-2018 only.

In December, 2018, the contract to Columbia Ford was administratively increased by \$200,000.00 as allowed per Tacoma Municipal Code 1.06.269 A. B. C. and D. and specified on the original PUB Resolution. The increase changed the contract cumulative total to \$1,930,000.00 plus any applicable taxes.

The increase request for Columbia Ford will be the second amendment to the contract. The increase request for Northsound Auto Group LLC will be the first amendment to the contract.

SBE/LEAP COMPLIANCE: Not applicable.

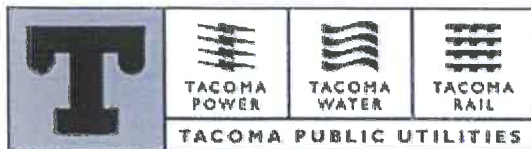
FISCAL IMPACT:

Funds for this are available in the 2019-2020 budget of the Department of Public Utilities for the Power, Water and Rail Divisions and the Fleet Services Fund.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5050 – TPU Fleet Services		5641500	\$6,678,000.00
TOTAL			\$6,678,000.00

* General Fund: Include Department



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
			\$
TOTAL			\$

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ \$6,678,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED N/A.

Chris Robinson, Power Superintendent/COO

Scott Dewhirst
Water Superintendent

Dale King
Rail Superintendent

APPROVED:

Jackie Flowers / Director of Utilities

Equipment	Description	Functional Loc.	Planned Rep Year	Estimated Cost
7114979	03 CHEV ASTRO VAN	FM-U-FS-C-PWR -CLK -552200	2019	\$43,000.00
7120141	06 FORD ELDORADO 13-PASS SHUTTLE VAN	FM-U-FS-C-PWR -CLK -553700	2019	\$90,000.00
7112339	99 CHEV ASTRO CARGO VAN	FM-U-FS-C-PWR -CLK -555400	2019	\$43,000.00
7112338	99 CHEV ASTRO CARGO VAN	FM-U-FS-C-PWR -CLK -555400	2019	\$43,000.00
7112337	99 CHEV ASTRO CARGO VAN	FM-U-FS-C-PWR -CLK -555400	2019	\$43,000.00
7114688	03 WKHRS P31442 STEP VAN ARL VRSALFT	FM-U-FS-C-PWR -CLK -555300	2019	\$180,000.00
7112435	00 CHEV G35 VAN ARL VRSALFT	FM-U-FS-C-PWR -CLK -555300	2019	\$100,000.00
7112238	98 CHEV G3500 VAN ARL VRSALFT	FM-U-FS-C-PWR -CLK -555300	2019	\$100,000.00
7112233	98 CHEV G3500 VAN ARL VRSALFT	FM-U-FS-C-PWR -CLK -553500	2019	\$90,000.00
7112273	99 FORD F450 TRK ARL	FM-U-FS-C-PWR -CLK -553500	2019	\$170,000.00
7112278	99 FORD F450 TRK ARL	FM-U-FS-C-PWR -CLK -553500	2019	\$170,000.00
7112281	99 FORD F450 TRK ARL	FM-U-FS-C-PWR -CLK -553500	2019	\$170,000.00
7111916	88 CHEV CP31042 STEP VAN 1T	FM-U-FS-C-PWR -CLK -555300	2020	\$65,000.00
7118347	10 CHEV COLORADO XC 4X4 PU	FM-U-FS-C-PWR -CLK -555400	2019	\$65,000.00
7116442	06 CHEV COLORADO PU XC 4X4	FM-U-FS-C-PWR -GEN -563800	2019	\$65,000.00
7111773	90 DODGE D350 PU STKBED 1T	FM-U-FS-C-PWR -GEN -563900	2019	\$68,000.00
7112192	99 FORD F350 TRK SBDY 1T	FM-U-FS-C-PWR -GEN -565700	2019	\$75,000.00
7112080	95 FORD F450 FB TILT BED	FM-U-FS-C-PWR -GEN -565700	2019	\$43,000.00
7117999	09 DODGE RAM 2500 XC 4x4 PU	FM-U-FS-C-PWR -GEN -565700	2019	\$65,000.00
7118000	09 CHEV 1500 SILVERADO XC 4x4 PU	FM-U-FS-C-PWR -GEN -565700	2019	\$80,000.00
ADD	ADD Placeholder - F550 Flatbed	FM-U-FS-C-PWR -GEN -566100	2020	\$43,000.00
ADD	ADD Placeholder - F550 Flatbed	FM-U-FS-C-PWR -GEN -566100	2019	\$113,000.00
7118390	11 FORD F250 PU XC 3/4T	FM-U-FS-C-PWR -GEN -566100	2019	\$43,000.00
7111708	85 CHEV TRK FB W/CRANE	FM-U-FS-C-PWR -GEN -566100	2019	\$65,000.00
7115059	04 FORD EXPEDITION SUV	FM-U-FS-C-PWR -GEN -566100	2019	\$65,000.00
7115579	05 CHEV SILVERADO PU 3/4T	FM-U-FS-C-PWR -GEN -566400	2020	\$43,000.00
7115580	05 CHEV SILVERADO PU 3/4T	FM-U-FS-C-PWR -GEN -566500	2019	\$45,000.00
7116827	07 FORD EXPEDITION SUV 4X4	FM-U-FS-C-PWR -GEN -566500	2019	\$62,000.00
7112140	02 FORD F350 TRK CC 1T	FM-U-FS-C-PWR -GEN -566500	2019	\$33,000.00
7112141	02 DODGE RAM 2500 TRK XC SBDY 3/4T	FM-U-FS-C-PWR -GEN -566500	2019	\$65,000.00
7116826	07 FORD ECONOLINE CARGO VAN	FM-U-FS-C-PWR -GEN -566500	2019	\$65,000.00
7117421	08 FORD RANGER PU XC	FM-U-FS-C-PWR -GEN -566500	2019	\$65,000.00

Equipment	Description	Functional Loc.	Planned Repl Year	Estimated Cost
ADD	ADD Placeholder - F250 TRK XC SBDY 3/4T	FM-U-FS-C-PWR -GEN -566500	2019	\$62,000.00
7118010	09 CHEV COLORADO XC 4x2 PU	FM-U-FS-C-PWR -GEN -566500	2020	\$65,000.00
7112030	94 CHEV C2500 PU 3/4T	FM-U-FS-C-PWR -GEN -566700	2019	\$43,000.00
7112601	03 FORD F350 SD TRK CC DUMP BED 1T	FM-U-FS-C-PWR -GEN -566800	2019	\$70,000.00
7115109	04 FORD F250 SD SC PU 4X4	FM-U-FS-C-PWR -GEN -566800	2019	\$43,000.00
7115613	05 CHEV K1500 SILVERADO PU XC1/2T*FLEET POOL VEH*	FM-U-FS-C-PWR -GEN -566800	2019	\$65,000.00
7120490	Placeholder (Due to CC Transfer) - F250 w/DMP DG	FM-U-FS-C-PWR -GEN -566800	2019	\$55,000.00
7116825	08 FORD F250 3/4 T PICKUP XC 4X2	FM-U-FS-C-PWR -GEN -566900	2019	\$43,000.00
7115601	06 FORD F550XL SD TRK DUMP BDY 4X4	FM-U-FS-C-PWR -GEN -568800	2019	\$75,000.00
7116410	06 FORD F150 PU XC 4X4 1/2T	FM-U-FS-C-PWR -GEN -568800	2019	\$65,000.00
7114910	04 FORD F550 SD TRK DUMP BDY	FM-U-FS-C-PWR -GEN -568800	2020	\$75,000.00
7117759	09 FORD ECONOLINE CARGO VAN	FM-U-FS-C-PWR -GEN -568800	2020	\$33,000.00
7112282	99 FORD F350 TRK SBDY 1T	FM-U-FS-C-PWR -TD -562700	2020	\$68,000.00
7111746	90 GMC W-4 VAN CARGO 1-1/2T	FM-U-FS-C-PWR -TD -563300DS	2020	\$160,000.00
7116409	06 CHEV EXPRESS CARGO VAN	FM-U-FS-C-PWR -TD -563300DS	2020	\$65,000.00
7115575	05 JEEP LIBERTY SUV 4X4	FM-U-FS-C-PWR -TD -563300TS	2019	\$38,000.00
7118014	09 FORD ESCAPE SUV 4X4	FM-U-FS-C-PWR -TD -563300TS	2019	\$38,000.00
7118551	11 FORD SD F550 CC TRK UTILITY BDY	FM-U-FS-C-PWR -TD -563300TS	2019	\$160,000.00
7112593	03 FORD RANGER PU XC 4X4	FM-U-FS-C-PWR -TD -563302	2019	\$65,000.00
7112385	99 GMC TP31842 STEP VAN 1T	FM-U-FS-C-PWR -TD -563400	2019	\$160,000.00
7115588	05 CHEV TRAILBLAZER SUV 4X4	FM-U-FS-C-PWR -TD -563400	2019	\$38,000.00
7116569	06 FORD CLUBWAGON 8-PASS VAN	FM-U-FS-C-PWR -TD -563400	2019	\$33,000.00
7116934	07 CHEV COLORADO PU XC 4X4	FM-U-FS-C-PWR -TD -563400	2019	\$65,000.00
7117407	08 FORD F150 PU 4X4 1/2T CC	FM-U-FS-C-PWR -TD -563400	2019	\$65,000.00
7119084	12 FORD EXPLORER SUV 4X4	FM-U-FS-C-PWR -TD -563600	2019	\$43,000.00
7115611	05 CHEV TRAILBLAZER SUV 4X4	FM-U-FS-C-PWR -TD -563700	2019	\$38,000.00
7118012	09 TOYOTA SIENNA PASS VAN	FM-U-FS-C-PWR -TD -565300	2019	\$58,500.00
7112212	98 FORD E350 HI CUBE VAN 1T	FM-U-FS-C-PWR -UTS -563200	2019	\$170,000.00
7116259	05 CHEV TAHOE SUV 4X4	FM-U-FS-C-RAIL-F4500 -592101	2019	\$36,000.00
7119088	11 FORD EXPEDITION SUV 4X4	FM-U-FS-C-RAIL-F4500 -592101	2019	\$38,000.00
7119089	11 FORD EXPEDITION SUV 4X4	FM-U-FS-C-RAIL-F4500 -592101	2019	\$43,000.00
7114698	03 FORD ECONOLINE CARGO VAN	FM-U-FS-C-RAIL-F4500 -592202	2020	\$33,000.00

TPU Fleet C&A Letter Attach Columbia Ford & Northsound Auto Group Forecasted Purchases 2019-2020 (PUB 2-13-19).xlsx

Equipment	Description	Functional Loc.	Planned Repl Year	Estimated Cost
7117929	09 FORD ESCAPE SUV 4X4	FM-U-FS-C-SDIV-CS -579200	2020	\$38,000.00
7118180	10 FORD F150 4x2 PICKUP	FM-U-FS-C-WTR -DIST -582400	2020	\$65,000.00
7118351	10 FORD F150 PU XC 1/2T 4X4	FM-U-FS-C-WTR -DIST -582400	2020	\$65,000.00
7117549	08 FORD ESCAPE SUV 4X4	FM-U-FS-C-WTR -ENVOPS-585200	2020	\$65,000.00
7115274	04 FORD F550 TRK XC 4X4 DUMP BDY	FM-U-FS-C-WTR -QUAL -583310	2019	\$105,000.00
7116867	07 FORD ECONOLINE CARGO VAN	FM-U-FS-C-WTR -SPLY -584100	2019	\$56,000.00
7116868	07 FORD ECONOLINE CARGO VAN	FM-U-FS-C-WTR -SPLY -584100	2019	\$56,000.00
7116818	08 FORD SD F550 TRK SBDY 4X4	FM-U-FS-C-WTR -SPLY -584400	2019	\$97,000.00
7118029	09 CHEV 1500 SILVERADO XC 4X4 PU	FM-U-FS-C-WTR -SPLY -584400	2019	\$65,000.00
7112124	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112125	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112126	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112240	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112242	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112243	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112245	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112248	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112264	98 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112430	00 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -CLK -553500	2019	\$43,000.00
7112237	98 CHEV G3500 VAN ARL VRSALFT	FM-U-FS-C-PWR -CLK -555300	2019	\$100,000.00
				\$5,825,500.00

Equipment	Description	Functional Loc.	Planned Repl Year	Estimated Cost
7122194	18 DODGE RAM PROMASTER HR CARGO VAN 3/4T	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7122193	18 DODGE RAM PROMASTER HR CARGO VAN 3/4T	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7122192	18 DODGE RAM PROMASTER HR CARGO VAN 3/4T	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7118027	08 DODGE SPRINTER 2500 VAN	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7118026	08 DODGE SPRINTER 2500 VAN	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7117079	08 DODGE SPRINTER 2500 CARGO VAN	FM-U-FS-C-WTR -DIST -582400	2019	\$56,000.00
7112064	95 TOY 02-5FG40 LFT TRK	FM-U-FS-C-WTR -DIST -582400	2019	\$48,000.00

Equipment	Description	Functional Loc.	Planned Repl Year	Estimated Cost
7118025 09 DODGE SPRINTER 2500 VAN	FM-U-FS-C-WTR -DIST	-582100	2019	\$56,000.00
7117406 08 FORD ECONOLINE CARGO VAN	FM-U-FS-C-PWR -UTS	-563200	2020	\$56,000.00
7117405 08 FORD ECONOLINE CARGO VAN	FM-U-FS-C-PWR -UTS	-563200	2020	\$56,000.00
7115576 05 CHEV UPLANDER CARGO VAN 1/2T	FM-U-FS-C-PWR -UTS	-563200	2019	\$56,000.00
7115121 04 FORD ECONOLINE E250 CARGO VAN	FM-U-FS-C-PWR -UTS	-563200	2019	\$56,000.00
7115120 05 DODGE CARAVAN CARGO	FM-U-FS-C-PWR -UTS	-563200	2019	\$65,000.00
7112497 02 CHEV G25 CARGO VAN 3/4T	FM-U-FS-C-PWR -UTS	-563200	2019	\$65,000.00
7117943 09 DODGE SPRINTER 2500 VAN	FM-U-FS-C-PWR -TD	-563700	2019	\$58,500.00
				\$852,500.00

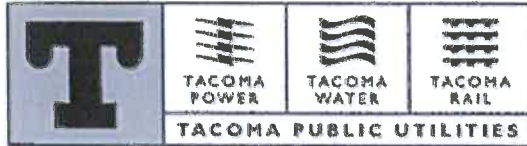


EXHIBIT "A"

RESOLUTION NO.: U-11059

ITEM NO.: 4

MEETING DATE: FEBRUARY 27 2019

TO: Board of Contracts and Awards

FROM: Chris Robinson, Power Superintendent, Tacoma Power
Chris Mattson, Generation Manager, Tacoma Power
Steve Belvin, Power Engineer III, Tacoma Power/Generation

COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Samol Hefley, Finance/Purchasing

SUBJECT: Fish Transport Tank
Request for Bids Specification No. PG18-0481F – February 13, 2019

DATE: January 24, 2019

RECOMMENDATION SUMMARY:

Tacoma Power / Generation recommends a contract be awarded to Jesse Engineering Company, Tacoma, WA, for three fish transport tanks, in the amount of \$270,667.00, plus applicable taxes.

BACKGROUND:

Transport of out-migrating fish from the Cowlitz Falls Fish Facility (CFFF) to the Cowlitz Salmon Hatchery (CSH), and transport of out-migrating fish from the Cushman Juvenile Fish Collector (JFC) to downstream release site is required as part of the fish operations for the Cowlitz and Cushman Hydroelectric Projects.

Additional infrastructure improvements at Cowlitz Falls, as well as growing and maturing programs at Cushman, necessitate the purchase of these tanks to allow for efficient and effective transport and release of fish. These fish tanks are part of the fish transportation system that will integrate with existing flatbed trucks at the fish facilities. The addition of these tanks will provide the capacity necessary to meet the increasing fish transportation demands of the fish programs. These tanks will also be used to release research fish, the data from which will lead to further success of our programs. Additionally, these tanks are smaller than the typical fish tanks used at the Cowlitz Project, allowing for more efficient operations.

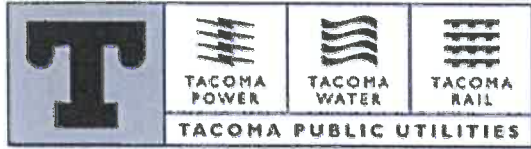
ISSUE: Additional fish transport tanks are required to haul fish between facilities to meet needs of the operation.

ALTERNATIVES: There are no available alternatives to transporting live fish other than hauling them via trucks in a tank of water. Facilities and vehicles at Cowlitz and Cushman have been built with these tanks in mind, requiring tanks as specified to be utilized for the operation.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. PG18-0481F was opened January 8, 2019. Eleven (11) companies were invited to bid in addition to normal advertising of the project. Two (2) submittals were received.

Jesse Company Inc. submitted a bid that resulted in the lowest evaluated submittal. The table below reflects the amount of the total award.



<u>Respondent (RFB)</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>	<u>Evaluated Submittal</u>
Jesse Engineering Company	Tacoma, WA	\$270,667.00	\$270,667.00
C&J Industries Inc	Kent, WA	\$339,000.00	\$339,000.00
(dba Buyken Metal Products)			

Pre-bid Estimate: \$225,000 - 275,000

The recommended award is one (1) percent below the pre-bid estimate.

COMPETITIVE ANALYSIS:

CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Power Fund 2019/20	PWR-09110-03-02-02		\$270,667.00
TOTAL			

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ \$270,667.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. Not Applicable.

APPROVED:

Chris Robinson, Power Superintendent

APPROVED:

Jackie Flowers, Director of Utilities

Fish Transport Tank

Specification No. PG18-0481F

Bid Opening: January 8, 2018

SBE Goal: 0%

				LOW BIDDER (Note 1)		#2 BIDDER	
				Jesse Engineering Company		C&J Industries dba Buyken Metal Products	
Item	Description	Unit	Quantity	Unit Price	Amount	Unit Price	Amount
1	Fish Transport Tank	EA	3	\$85,728.00	\$257,184.00	\$98,000.00	\$294,000.00
2	Additional Tank Seal Gland	EA	4	\$1,434.00	\$5,736.00	\$6,000.00	\$24,000.00
3	Fish Tank Guides Assembly	EA	1	\$7,747.00	\$7,747.00	\$21,000.00	\$21,000.00
	Sub-Total (Bid Items 1-3 - w/o tax)				\$270,667.00		\$339,000.00
10.1	% Sales Tax (Bid Items 1-3)				\$27,337.37		\$34,239.00
	TOTAL (Bid Items 1-3 - w/ tax)				\$298,004.37		\$373,239.00
	SBE Participation (%)				N/A		N/A

Notes:

1: "LOW BIDDER" is based upon the Evaluated low bid

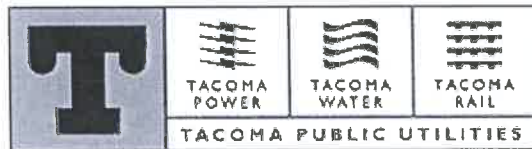


EXHIBIT "A"

RESOLUTION NO.: U-11059

ITEM NO.: 5

MEETING DATE: FEBRUARY 27, 2019

TO: Board of Contracts and Awards
FROM: Chris Robinson, Tacoma Power Superintendent
Saul Kirkman, Power Engineer, Tacoma Power Transmission & Distribution
COPY: Public Utility Board, Director of Utilities, Board Clerk, Alex Clark, and
Finance/Purchasing
SUBJECT: Power Transformers – 115kV, 10/12.5MVA, 15/20/25MVA AND 24/32/40MVA –
Request for Bids Specification No. PT18-0329F – February 13, 2019
DATE: January 9, 2019

RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to Iljin Electric USA, Inc., Houston, TX, for items 1, 2, 3, 4 and 5 of bid PT18-0329F in the amount of \$3,177,000, plus applicable taxes, for an initial contract term of three years with the option to renew for two additional years, for a projected contract amount of \$5,000,000, plus any applicable taxes.

BACKGROUND:

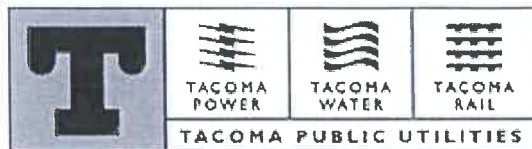
ISSUE: The current supply contract for high voltage transformers has expired. Execution of a new contract is required to allow for needed purchases to continue to support standard operations.

ALTERNATIVES: The alternatives to awarding these contracts are to reject all bids and re-bid. However, the contracts have expired and a re-bid would risk delays in procurement of needed equipment. Further delays could result in a service gap to customers.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. PT18-0329F was opened November 27, 2018. Thirteen companies were invited to bid in addition to normal advertising of the project. Ten submittals were received. The Total Evaluated Cost (TEC) is composed of the total bid price plus the Lifetime Capital Costs which is the net present value of the expected cost of transformer energy losses provided by the bidders. The Total Evaluated Cost (TEC) is an industry standard for bid evaluation. **Iljin Electric USA, Inc.** submitted a bid that resulted in the lowest evaluated bid after considering the transformer energy losses. Therefore **Iljin Electric USA, Inc.** was found to be the lowest evaluated responsive and responsible bidder.

Iljin Electric USA, Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of SBE participation goals. The table below reflects the amount of the initial contract term.



<u>Respondent</u>	<u>Location</u> (city and state)	<u>Submittal</u> Amount	<u>Evaluated</u> Submittal
Ijlin Electric USA, Inc.	Houston, TX	\$3,177,000	\$4,442,880
WEG Transformers USA LLC	Washington, MO	\$3,400,294	\$4,638,894
OTC Services Inc.	Louisville, OH	\$4,297,487	\$5,492,582
Virginia Transformer Corp.	Roanoke, VA	\$4,258,334	\$5,622,781
Niagra Transformer Corp.	Buffalo, NY	\$4,416,607	\$5,904,577
Howard Industries Inc.	Laurel, MS	\$4,863,279	\$6,225,059
Pennsylvania Transformer Technology, Inc	Canonsburg, PA	\$4,689,414	\$6,307,470
Fortune Electric Co. LTD	Torrance, CA	\$5,051,500	\$6,725,000
Waukesha	Waukesha, WI	\$5,446,226	\$6,762,616
TBEA USA Corporation	Canby, OR	\$5,887,800	\$7,270,690

Pre-bid Estimate: \$2,700,000

The recommended award is 17.67 percent above the pre-bid estimate.

COMPETITIVE ANALYSIS:

Provide rationale for not conducting a competitive process and/or explain why competitive process is not feasible. Detail the analysis performed to support a non-competitive award to this vendor.

CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power's Capital Outlay Budget	N/A	5220100	5,000,000
TOTAL			

* General Fund: Include Department



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Not Applicable			
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,297,700

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

N/A


Chris Robinson, Power Superintendent/COO

APPROVED:


Jackie Flowers / Director of Utilities

PT18-0329F 115 kV Power Transformers		Quantity:	2		2		2		2	
RESPONDENTS	LOCATION	ITEM 1	No-Load Losses (NLL)	NLL Cost	Load Losses (LL)	LL Cost	Auxiliary Losses (AL)	AL Cost	ITEM 2	No-Load Losses (NLL)
Ijin Electric USA Inc.	Houston, TX	\$432,100.00	14.00	\$105,000.00	53.00	\$68,900.00	1.20	\$360.00	\$432,100.00	13.00
Pennsylvania Transformer Technology, Inc.	Canonsburg, PA	\$620,529.00	14.00	\$105,000.00	61.00	\$79,300.00	3.20	\$960.00	\$620,529.00	15.50
WEG Transformers USA LLC	Washington, MO	\$474,828.00	9.75	\$73,125.00	67.00	\$87,100.00	3.00	\$900.00	\$474,828.00	9.75
Virginia Transformer Corp	Roanoke, VA	\$555,615.00	11.79	\$88,425.00	70.70	\$91,910.00	2.00	\$600.00	\$555,615.00	11.82
Niagra Transformer Corp.	Buffalo, NY	\$599,745.00	13.00	\$97,500.00	75.80	\$98,540.00	3.00	\$900.00	\$603,908.00	13.00
Howard Industries Inc.	Laurel, MS	\$678,571.00	11.65	\$87,375.00	72.60	\$94,380.00	2.00	\$600.00	\$677,551.00	11.60
OTC Services Inc.	Louisville, OH	\$577,789.00	11.00	\$82,500.00	57.50	\$74,750.00	1.20	\$360.00	\$576,501.00	10.50
Waukesha	Waukesha, WI	\$771,100.00	11.40	\$85,500.00	65.70	\$85,410.00	2.00	\$600.00	\$767,600.00	11.60
Fortune Electric Co. LTD	Torrance, CA	\$694,700.00	20.00	\$150,000.00	55.00	\$71,500.00	2.00	\$600.00	\$692,900.00	20.00
TBEA USA Corporation	Canby, OR	\$814,900.00	19.00	\$142,500.00	37.00	\$48,100.00	1.70	\$510.00	\$818,900.00	21.00

PT18-0329F 115 kV Power Transformers											
RESPONDENTS											
	NLL Cost	Load Losses (LL)	LL Cost	Auxiliary Losses (AL)	AL Cost	ITEM 3	No-Load Losses (NLL)	NLL Cost	Load Losses (LL)	LL Cost	Auxiliary Losses (AL)
Ilin Electric USA Inc. Pennsylvania Transformer Technology, Inc. WEG Transformers USA LLC Virginia Transformer Corp Niagra Transformer Corp. Howard Industries Inc. OTC Services Inc. Waukesha Fortune Electric Co. LTD TBEA USA Corporation	\$97,500.00	50.00	\$65,000.00	1.20	\$360.00	\$511,000.00	16.40	\$123,000.00	87.40	\$113,620.00	3.20
	\$116,250.00	56.50	\$73,450.00	3.20	\$960.00	\$796,726.00	22.50	\$168,750.00	73.00	\$94,900.00	4.00
	\$73,125.00	67.00	\$87,100.00	3.00	\$900.00	\$535,878.00	14.30	\$107,250.00	95.00	\$123,500.00	5.00
	\$88,650.00	70.70	\$91,910.00	2.00	\$600.00	\$767,364.00	15.02	\$112,650.00	103.37	\$134,381.00	4.00
	\$97,500.00	75.80	\$98,540.00	3.00	\$900.00	\$739,745.00	17.50	\$131,250.00	109.00	\$141,700.00	4.50
	\$87,000.00	70.25	\$91,325.00	2.00	\$600.00	\$769,387.00	15.20	\$114,000.00	109.10	\$141,830.00	3.00
	\$78,750.00	59.50	\$77,350.00	1.20	\$360.00	\$717,993.00	13.65	\$102,375.00	92.00	\$119,600.00	1.40
	\$87,000.00	63.10	\$82,030.00	2.00	\$600.00	\$836,550.00	16.70	\$125,250.00	99.00	\$128,700.00	4.20
	\$150,000.00	53.00	\$68,900.00	2.00	\$600.00	\$769,800.00	27.00	\$202,500.00	78.00	\$101,400.00	4.00
	\$157,500.00	35.00	\$45,500.00	1.70	\$510.00	\$905,400.00	19.00	\$142,500.00	65.00	\$84,500.00	3.40

PT18-0329F 115 kV Power Transformers												
RESPONDENTS	1									1		
	AL Cost	ITEM 4	No-Load Losses (NLL)	NLL Cost	Load Losses (LL)	LL Cost	Auxiliary Losses (AL)	AL Cost	ITEM 5	No-Load Losses (NLL)	NLL Cost	
	\$960.00	\$510,000.00	16.50	\$123,750.00	88.30	\$114,790.00	3.20	\$960.00	\$354,600.00	8.40	\$63,000.00	
	\$1,200.00	\$796,726.00	25.50	\$191,250.00	67.00	\$87,100.00	4.00	\$1,200.00	\$584,416.00	10.50	\$78,750.00	
	\$1,500.00	\$549,037.00	14.30	\$107,250.00	95.00	\$123,500.00	5.00	\$1,500.00	\$398,567.00	6.30	\$47,250.00	
	\$1,200.00	\$767,364.00	14.87	\$111,525.00	103.27	\$134,251.00	4.00	\$1,200.00	\$469,821.00	8.06	\$60,450.00	
	\$1,350.00	\$738,398.00	17.50	\$131,250.00	111.30	\$144,690.00	4.50	\$1,350.00	\$515,844.00	10.00	\$75,000.00	
	\$900.00	\$770,408.00	15.30	\$114,750.00	106.90	\$138,970.00	3.00	\$900.00	\$572,449.00	8.10	\$60,750.00	
	\$420.00	\$716,025.00	13.80	\$103,500.00	94.00	\$122,200.00	1.40	\$420.00	\$467,793.00	7.70	\$57,750.00	
	\$1,260.00	\$835,650.00	16.20	\$121,500.00	98.20	\$127,660.00	4.20	\$1,260.00	\$685,100.00	9.00	\$67,500.00	
	\$1,200.00	\$761,300.00	29.00	\$217,500.00	76.00	\$98,800.00	4.00	\$1,200.00	\$692,200.00	15.00	\$112,500.00	
	\$1,020.00	\$896,600.00	21.00	\$157,500.00	58.00	\$75,400.00	3.40	\$1,020.00	\$783,500.00	9.00	\$67,500.00	
	Ijlin Electric USA Inc.											
	Pennsylvania Transformer Technology, Inc.											
WEG Transformers USA LLC												
Virginia Transformer Corp												
Niagra Transformer Corp.												
Howard Industries Inc.												
OTC Services Inc.												
Waukesha												
Fortune Electric Co. LTD												
TBEA USA Corporation												

PT18-0329F 115 kV Power Transformers														
RESPONDENTS	Load Losses (LL)	LL Cost	Auxiliary Losses (AL)	AL Cost	1			1			0			WARRANTY (Years)
					ITEM 6	ITEM 7	ITEM 8	ITEM 9	ITEM 10	ITEM 11				
Ilijin Electric USA Inc. Pennsylvania Transformer Technology, Inc. WEG Transformers USA LLC Virginia Transformer Corp Niagra Transformer Corp. Howard Industries Inc. OTC Services Inc. Waukesha Fortune Electric Co. LTD TBEA USA Corporation	39.40	\$51,220.00	0.80	\$240.00	\$7,000.00	\$6,000.00	\$30,000.00	\$30,000.00					5	
	42.50	\$55,250.00	0.80	\$240.00	\$5,930.00	\$3,500.00	\$10,000.00	\$10,000.00					3	
	63.00	\$81,900.00	1.50	\$450.00	\$5,000.00	\$2,500.00	\$5,000.00	\$5,000.00					5	
	64.80	\$84,240.00	1.20	\$360.00	\$7,590.00	\$4,605.00	\$9,565.00	\$9,565.00					5	
	56.40	\$73,320.00	1.00	\$300.00	\$3,963.00	\$2,431.00	\$4,460.00	\$4,460.00					5	
	51.40	\$66,820.00	1.00	\$300.00	\$4,087.00	\$1,496.00	\$16,604.00	\$16,604.00					5	
	46.50	\$60,450.00	0.80	\$240.00	\$4,468.00	\$2,628.00	\$40,000.00	\$40,000.00					5	
	46.70	\$60,710.00	0.90	\$270.00	\$3,930.00	\$1,646.00	\$2,975.00	\$2,975.00					5	
	42.00	\$54,600.00	2.00	\$600.00	\$5,700.00	\$5,100.00	\$21,100.00	\$21,100.00					5	
	49.00	\$63,700.00	1.70	\$510.00	\$5,300.00	\$3,400.00	\$13,000.00	\$13,000.00					5	

PT18-0329F 115 kV Power Transformers		SUBTOTAL (W/O TAX)			
RESPONDENTS	WARRANTY PENALTY	Exception Taken	SUBMITTAL	TOTAL EVALUATED COST	Ten-Year Experience Requirement Met?
Ilijin Electric USA Inc.	\$0.00	NO	\$3,177,000.00	\$4,442,780.00	YES
Pennsylvania Transformer Technology, Inc.	\$187,576.56	YES	\$4,689,414.00	\$6,307,470.56	YES
WEG Transformers USA LLC	\$0.00	YES	\$3,400,294.00	\$4,638,894.00	YES
Virginia Transformer Corp	\$0.00	YES	\$4,258,334.00	\$5,622,781.00	YES
Niagra Tranformer Corp.	\$0.00	NO	\$4,416,607.00	\$5,904,577.00	YES
Howard Industries Inc.	\$0.00	NO	\$4,863,279.00	\$6,225,059.00	YES
OTC Services Inc.	\$0.00	NO	\$4,297,487.00	\$5,492,582.00	YES
Waukesha	\$0.00	NO	\$5,446,226.00	\$6,762,616.00	YES
Fortune Electric Co. LTD	\$0.00	NO	\$5,051,500.00	\$6,725,000.00	YES
TBEA USA Corporation	\$0.00	NO	\$5,887,800.00	\$7,270,690.00	YES

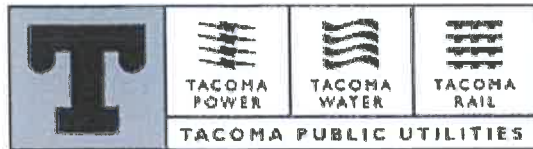


EXHIBIT "A"

RESOLUTION NO.: 0-11059

ITEM NO.: 6

MEETING DATE: FEBRUARY 27, 2019

TO: Board of Contracts and Awards
FROM: Joseph A. Wilson, Transmission and Distribution Manager, Tacoma Power
Kimberlie Kerner, Contract Program Manager, Transmission and Distribution,
Tacoma Power
COPY: Jackie Flowers, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
Coordinator, and Alex Clark, Finance/Purchasing
SUBJECT: Wood Pole Inspection, Treatment and Reinforcement
Request for Proposals (RFP) Specification No. PT18-0458F, February 27, 2019
DATE: February 12, 2019

RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to Mi-Tech Services, Inc., Fond du Lac, WI, for wood pole inspection, treatment and reinforcement services throughout Tacoma Power's service territory. The recommendation is for an initial two-year contract term, with the option to renew for an additional one-year extension period, for a total cumulative amount of \$900,000.00, plus any applicable taxes.

BACKGROUND:

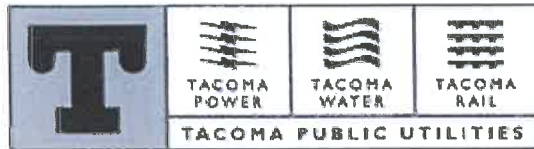
In 2002, through an RFP process, Tacoma Power established a program for wood pole inspection, treatment, and reinforcement services. Since that time, Tacoma Power has solicited for these services on a biennial basis. The goal of the program is to strengthen the reliability of the electrical distribution system and extend the service life of wood pole assets through locating and mitigating defective conditions.

ISSUE: Tacoma Power has approximately 52,000 wood poles supporting its electrical and data infrastructure. Poles throughout Tacoma Power's service territory are inspected on a 11-year cycle. The average service life of a wood distribution pole without remedial treatment is expected to be 35 to 45 years. This contract will provide the labor and materials necessary to evaluate and apply suitable measures to extend the service life for an estimated 9,000 poles. Industry statistics confirm that this proactive approach to pole maintenance can result in a life extension benefit greater than 10 years.

ALTERNATIVES: The pole inspection, treatment and reinforcement program has demonstrated to be a cost-effective way to extend wood pole service life. The average cost for replacement of a wood pole is \$9,000, compared to the average treatment cost of \$60 per pole. The continuation of this program is recommended based upon the favorable results of the project.

COMPETITIVE SOLICITATION:

Request for Proposals Specification No. PT18-0458F was opened January 8, 2019. Six companies were invited to bid in addition to normal advertising of the project. Four submittals were received.



After review of the proposals by a Selection Advisory Committee, the proposal from Mi-Tech Services, Inc. ranked the highest. The proposals were evaluated based on the following criteria provided in the RFP.

- Services to be provided
- Experience and qualifications
- Treatment products
- Quality control and safety program
- Pricing
- Small Business Enterprise participation

The Selection Advisory Committee found Mi-Tech Services, Inc. to be the most qualified proposer.

<u>Respondent</u>	<u>Location</u> (city and state)	<u>Score (out of 50)</u>
Mi-Tech Services, Inc.	Fond du Lac, WI	35.88
Davey Tree Surgery Company	Livermore, CA	32.48
Osmose Utilities Services, Inc.	Peachtree City, GA	28.60
Intec Services, Inc.	Fort Collins, CO	28.22

Pre-bid Estimate: \$900,000.00

SBE/LEAP COMPLIANCE:

No bids were received from Small Business Enterprise (SBE) contractors for this Single Trade project. The Local Employment and Apprenticeship Training Program (LEAP) goal is not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power's Capital Outlay Budget	PWR-01019	5412000	\$900,000.00
TOTAL			

* General Fund: Include Department



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
N/A			
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 900,000.000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED: N/A

APPROVED:

A handwritten signature in blue ink that reads 'Chris Robinson'.

Chris Robinson, Power Superintendent/COO

APPROVED:

A handwritten signature in blue ink that reads 'Jackie Flowers'.

Jackie Flowers / Director of Utilities

Service Description	No.	Type	INTEC	Mi-Tech	Davey Tree	Osmose Utilities Services	Percent Usage by Service Type from previous contract	Anticipated Qty's based on 5,000 Poles Per Year	Anticipated Qty's based on 10,000 Poles 2 Years (Items 1-16 only)	INTEC	Mi-Tech	Davey Tree	Osmose Utilities Services
Visual Inspection	1	Transmission	\$15.50	\$5.01	\$8.71	\$12.65	2.0%	106	206	\$1,180.00	\$1,602.00	\$1,742.00	\$2,830.00
	2	Distribution	\$12.65	\$5.01	\$8.71	\$11.40	8.0%	406	306	\$16,120.00	\$7,208.00	\$5,965.00	\$8,120.00
	3	Transmission	\$24.90	\$24.69	\$32.73	\$30.98	3.5%	175	335	\$8,715.00	\$8,641.50	\$11,485.00	\$10,445.00
	4	Distribution	\$19.10	\$22.55	\$32.09	\$28.33	18.6%	506	1,006	\$16,100.00	\$22,550.00	\$32,090.00	\$28,330.00
Visual Inspection, Sound & Bore, Partial Excavation w/ preservative paste (18 inches at Largest Check)	5	Transmission	\$69.35	\$45.69	\$52.74	\$55.25	5.0%	256	506	\$34,675.00	\$22,845.00	\$28,370.00	\$27,625.00
	6	Distribution	\$57.80	\$41.91	\$51.71	\$54.10	20.6%	1,006	2,006	\$115,600.00	\$53,820.00	\$103,450.00	\$106,200.00
Visual Inspection, Sound & Bore, Full Excavation, No Treatment	7	Transmission	\$147.50	\$60.81	\$140.76	\$73.45	1.0%	59	109	\$14,750.00	\$6,081.00	\$14,076.00	\$7,345.00
	8	Distribution	\$125.50	\$55.00	\$110.97	\$71.52	3.0%	196	306	\$14,750.00	\$6,081.00	\$14,076.00	\$7,345.00
Visual Inspection, Sound & Bore, Full Excavation, External Treatment, & Wrap, (18 inches around pole)	9	Transmission	\$157.60	\$61.10	\$150.76	\$92.15	2.0%	106	206	\$31,560.00	\$19,220.00	\$30,152.00	\$19,430.00
	10	Distribution	\$131.50	\$71.11	\$115.97	\$90.69	6.0%	389	806	\$78,300.00	\$42,661.00	\$89,582.00	\$54,414.00
Internal Inspection -Fumigant (MITC or equivalent) Treatment per vine & Plug	11	Transmission	\$3.75	\$2.93	\$1.81	\$3.57	8.0%	406	806	\$3,000.00	\$2,344.00	\$1,448.00	\$2,896.00
	12	Distribution	\$3.75	\$2.63	\$1.81	\$3.57	20.6%	1,006	2,006	\$7,500.00	\$5,660.00	\$3,420.00	\$7,140.00
Internal Inspection - Fungal Decay detected - Internal Flood of decay pockets & Plug	13	Transmission	\$18.85	\$22.85	\$36.75	\$29.67	2.0%	106	206	\$1,776.00	\$4,500.00	\$7,350.00	\$5,034.00
	14	Distribution	\$12.25	\$22.85	\$33.41	\$29.67	8.0%	406	806	\$9,800.00	\$19,360.00	\$26,726.00	\$21,716.00
Internal Inspection - Insect decay detected - Internal Flood of insecticide + Fungal agent & Plug	15	Transmission	\$14.50	\$22.95	\$38.75	\$29.67	0.5%	25	50	\$725.00	\$1,147.50	\$1,937.50	\$1,483.50
	16	Distribution	\$11.50	\$22.95	\$35.41	\$29.67	1.0%	50	106	\$1,150.00	\$2,295.00	\$3,541.00	\$2,567.00
Evaluation for reinforcement (Determination of remaining strength vs. required strength)	17		\$35.00	\$17.99	\$36.41	\$23.21		1,500	1,509	\$52,500.00	\$26,985.00	\$54,615.00	\$34,815.00
Mobilization for Emergency/ Non-scheduled Reinforcement.	18		\$4,200.00	\$1,235.00	\$3,500.00	\$3,000.00		3	3	\$12,600.00	\$5,775.00	\$10,500.00	\$9,000.00
Mobilization for Non-Emergency/Scheduled Reinforcement.	19		\$3,600.00	\$750.00	\$2,500.00	\$780.00		3	3	\$10,800.00	\$2,250.00	\$7,500.00	\$2,394.00
Schedule of C-Trusts Reinforcement with External Treatment, & Wrap included		Schedule Provided	\$5,810.97	\$4,173.00	\$3,175.20	\$6,011.16		100	106	\$581,087.00	\$417,300.00	\$317,520.00	\$601,116.00
Application of Pole Numbers	20	Each	\$3.15	\$2.23	\$1.96	\$1.96		406	406	\$1,260.00	\$892.00	\$784.00	\$784.00
Installation of Guy Guards	21	Each	\$4.50	\$5.06	\$4.28	\$5.67		306	566	\$3,200.00	\$2,530.00	\$2,140.00	\$2,935.00
Installation of Ground Wire Molding	22		\$5.00	\$5.45	\$6.56	\$7.17		306	306	\$1,500.00	\$1,035.00	\$1,864.00	\$2,151.00
Identification of Missing Ground Wires	23		\$0.00	\$6.00	\$0.00	\$0.00		406	406	\$0.00	\$0.00	\$0.00	\$0.00
Removal or painting over of "BO" marking on pole	24	Each	\$10.35	\$1.60	\$1.32	\$1.63		106	106	\$1,035.00	\$160.00	\$132.00	\$163.00
Removal of Signs	25	Each	\$5.25	\$2.64	\$3.29	\$3.28		20	20	\$105.00	\$52.60	\$65.80	\$65.20
Joint-Use Attachment Audit	26	Per Pole	\$6.50	\$7.95	\$9.83	\$7.17		20	20	\$130.00	\$159.00	\$195.80	\$163.40
Disposal of MITC or equivalent Vials	27	Per Vial	\$0.50	\$0.80	\$1.50	\$0.00		406	406	\$200.00	\$0.00	\$600.60	\$0.00
Extended Price Total										\$1,043,372.00	\$720,786.80	\$886,762.40	\$886,762.10
Percent Difference										45%	0%	7%	37%
Ratio to Low Bid										0.0091	0.0000	0.036	0.730
Evaluation Points for Pricing Category										6.91	10.00	9.36	7.30

Name of Firm	Reviewer #1	Reviewer #2	Reviewer #3	Reviewer #4	Reviewer #5	Total Score (out of 50)
INTEC SERVICES INC.	7.06	6.98	6.78	7.41	6.96	28.22
MI-TECH SERVICES INC.	9.20	8.95	8.53	9.20	7.95	35.88
DAVEY TREE SURGERY	8.63	7.33	8.04	8.48	8.13	32.48
OSMOSE	7.55	6.73	6.88	7.45	6.75	28.60

Evaluation Order

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February 27, 2019

MOTION

I hereby move that the following motion be approved:

19-01. That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle the claim of Christine Gleason v. City of Tacoma, filed on November 21, 2018, with a total payout of \$200,000.



RESOLUTION NO. U-11060

A RESOLUTION authorizing a contract increase with Z2 Solutions, LLC.

WHEREAS after a competitive solicitation process, Z2 Solutions, LLC was selected to provide professional consulting services for the City of Tacoma, Department of Public Utilities, Advanced Metering Infrastructure ("AMI") implementation program, and

WHEREAS, pursuant to Public Utility Board Resolution No. U-10943 approved on July 26, 2017, the Board approved award of a contract to Z2 Solutions, LLC for a contract amount of \$948,200 for program management support, business process implementation, technology and system implementation, organizational change management support, project engineering support, and meter installation vendor management services during Tacoma Public Utilities' AMI implementation program, and

WHEREAS, on or about July 1, 2018, an amendment was executed by the Director of Utilities increasing the contract amount by \$97,000, for a total contract amount of \$1,045,200, and

WHEREAS Tacoma Power, Utility Technology Services (UTS) department requests approval to increase contract 4600012876 with Z2 Solutions, LLC, Durango, CO, by \$800,000, for a new contract cumulative total of \$1,845,200, in order to allow Tacoma Public Utilities to continue to receive consulting services and to receive additional support services from Z2 Solutions, LLC and their subcontractor Excergy, who provides program management and organizational



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change management support, business process architecture, technology selection
and architecture, and on-going implementation oversight, Now, Therefore:

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Public Utility Board of the City of Tacoma hereby (1) approves
Tacoma Power's UTS departments' request to increase the contract with Z2
Solutions, LLC, in the amount of \$800,000, for a new total authorized contract total
of \$1,845,200, for ongoing and additional services, (2) authorizes the proper
officers of the City to execute an appropriate amendment and associated exhibits
as approved by the City Attorney, and (3) approves administrative authority of the
Director, per TMC 1.06.269 A, to amend contract amounts up to \$200,000, and to
approve time extensions and contract renewals for the said contract with Z2
Solutions, LLC.

Approved as to form and legality:

Chair

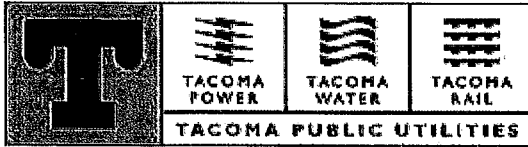


Chief Deputy City Attorney

Secretary

Clerk

Adopted _____



TO: Board of Contracts and Awards
FROM: John Lawrence, UTS Power Section Manager, Joe Tellez, Chief Technology Officer, Andre' Peddeferri, AMI Program Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: Automated Metering Infrastructure Systems Integration Support and Project Management Implementation Support Services
Request for Proposals Specification No. PS17-0196F, Contract No. 4600012876
– January 23, 2019
DATE: January 10, 2019

RECOMMENDATION SUMMARY:

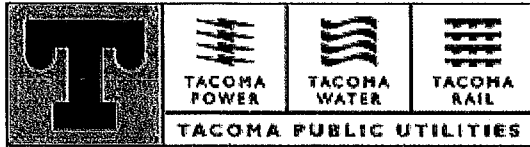
Tacoma Power, Utility Technology Services (UTS) requests approval to increase contract 4600012876 to Z2 Solutions LLC, Durango, CO, by \$800,000.00, plus any applicable taxes, for continued professional consulting services for program management support, business process implementation, technology and system implementation, organizational change management support, project engineering support, and meter installation vendor management services during Tacoma Public Utilities' Advanced Metering Infrastructure (AMI) implementation program. This increase will bring the contract to a cumulative total of \$1,845,200.00, plus any applicable taxes.

BACKGROUND:

The AMI Program consists of implementing an advanced metering infrastructure throughout the City of Tacoma's Public Utilities service areas with advanced meters for both Power and Water services. This phase of the program begins with systems implementation and integrations, approving this contract will allow TPU to continue to work with Z2 Solutions LLC and their subcontractor Excerpt who has been providing program management and organizational change management support, business process architecture, technology selection and architecture, and on-going implementation oversight.

ISSUE: The existing power and water infrastructure is aging and inefficient. Advanced meters will replace an aging infrastructure and infuse technology that will fundamentally transform TPU's relationship with its customers, enabling them to become engaged water and power consumers. The Advanced Metering Infrastructure program forms the critical and essential technology foundation to enhance power and water services to all customers that over time will provide near real-time information necessary so customers can manage their usage, control their costs and help the environment. Power and Water operational benefits will result in higher reliability and system efficiency.

ALTERNATIVES: Tacoma Public Utilities could resolicit for a new AMI Advisor. The resulting proposal would likely result in more cost and delayed delivery than will be the case by increasing the current contract.



CONTRACT HISTORY: This contract was originally awarded to Z2 Solutions LLC as a result of Request for Proposals Specification No. PS17-0196F on July 26, 2017, in the amount of \$948,200. In July 2017, the contract was increased by \$97,000, to a cumulative total of \$1,045,200. The current increase request will bring the cumulative total to \$1,845,200.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Power Fund	PWR-00946/ PWR-00976	5310100	73% - \$496,000
4600 – Water Fund	WTR-00527	5310100	27% - \$183,600
4700 – Power Fund	564301	5390014	73% - \$87,600
4600 – Water Fund	582400	5390014	27% - \$32,400
TOTAL			

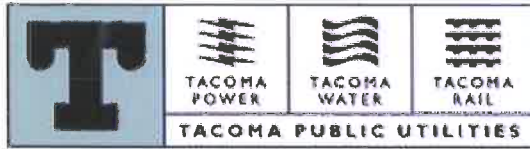
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
NA			
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$800,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A



Chris Robinson, Power Superintendent

Scott Dewhirst, Water Superintendent

APPROVED:

A handwritten signature in blue ink, which appears to read 'Jackie Flowers', is written over the 'APPROVED:' text.

Jackie Flowers, Director of Utilities



RESOLUTION NO. U-11061

1 A RESOLUTION related to extending the Master License Agreement for
2 telecommunication service providers.

3 WHEREAS the passage of the 1996 Telecommunications Act
4 deregulated the telecommunications industry and resulted in increased
5 numbers of telecommunication service providers seeking to use the City of
6 Tacoma, Department of Public Utilities, Light Division (d.b.a. "Tacoma Power")
7 and Water Division (d.b.a. "Tacoma Water") properties for unmanned radio
8 antenna sites, and
9

10 WHEREAS, Tacoma Public Utilities ("TPU") developed a Telecom
11 Licensing Program to manage those requests that included a Master License
12 Agreement ("MLA") to be used as a template for agreements between TPU and
13 the service providers, and
14

15 WHEREAS, on September 10, 1997, the Public Utility Board of the City
16 of Tacoma ("Board") authorized the City of Tacoma to use and implement the
17 MLA for telecommunication service providers to use Tacoma Light and Water
18 Divisions' unmanned radio antenna sites, and
19

20 WHEREAS the MLA was approved initially for a 5-year term, and
21 allowed up to 3 additional 5-year terms, for a total potential MLA term of 20
22 years, and
23

24 WHEREAS, over 20 years have passed since the MLA was authorized
25 for use by the Board, and many MLA's executed with various entities are now
26 expiring or have expired, and



1 WHEREAS, due to the age of the program, Tacoma Water, Tacoma
2 Power and Legal have commenced a detailed and comprehensive review of
3 Licensor's MLA contractual documents and the MLA program to bring the
4 program up to date and align standards with current practices in the industry,
5 this effort is expected to continue into 2021, and

6 WHEREAS Tacoma Water and Tacoma Power are requesting that the
7 existing executed MLAs be extended through December 31, 2021, Now,
8 Therefore,
9

10 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

11 That the Public Utility Board hereby approves the extension of the term
12 of the Master License Agreement to December 31, 2021, and authorizes the
13 proper officers of the City of Tacoma to implement, use, and execute
14 amendments to the executed MLAs, and, if necessary, specify that said
15 amendments apply retroactively to the date of expiration, said amendments to
16 be substantially in the same form as on file with the Clerk and as approved by
17 the City Attorney.
18

19 Approved as to form and legality:

20 
21 _____
22 Chief Deputy City Attorney

Chair

Secretary

23 _____
24 Clerk

Adopted _____

AMENDMENT TO MASTER LICENSE AGREEMENT EXTENDING TERM

THIS AMENDMENT is made and entered into effective this ____ day of _____, 2019 ("Effective Date"), by and between the City of Tacoma, Department of Public Utilities, a municipal corporation of the State of Washington (hereinafter called the "Licensor") and [full legal name of Party who holds a given MLA – if applicable add: "successor in interest to [name of original Licensee]"] (hereinafter called the "Licensee").

Commented [SMW(-1)]: Date the individual MLA expires.

WHEREAS, on September 10, 1997, the Public Utility Board of the City of Tacoma ("Board") under Resolution No. U-9288 authorized the proper officers of the City of Tacoma to use and implement the Master License Agreement ("MLA") for telecommunication services providers to use Tacoma Light and Water Division unmanned radio antenna sites, and

WHEREAS, said MLA provided for an initial five-year term with three five-year renewal terms thus allowing for a potential total term for the MLA of twenty years, and

WHEREAS, over twenty years have passed since the MLA was authorized for use by the Board and many MLA's executed with various entities are reaching or have reached the end of their respective terms, and

WHEREAS, Licensor staff has commenced a detailed and comprehensive review of Licensor's MLA contractual documents and the MLA program which effort is expected to continue into 2021, ("Review Period") and

WHEREAS, in order to extend existing MLAs' terms for the Review Period, the Board, per Resolution No. U-11061 has authorized an extension to all current individual MLA's retroactive, if needed, to the date of expiration to December 31, 2021, by which time Licensor staff will provide recommendations for Board consideration regarding a program allowing licensing of unmanned radio antenna sites, and

WHEREAS, on or about [date], Licensor and [name of original Licensee] executed an MLA ("Licensee MLA") with a term ending date, including renewal terms, of [expiration date], and

WHEREAS, Licensee certifies by its signature below that it is the successor in interest to [name of original Licensee], and

WHEREAS, the Licensor, as authorized by the Board, and Licensee desire to amend the Licensee MLA in order to extend the term.

NOW, THEREFORE, in consideration of the mutual promises and obligations hereinafter set forth, the parties agree as follows:

1. The termination date of the Licensee MLA is hereby extended from [date] to December 31, 2021.
2. All other terms of the Licensee MLA, together with all exhibits including associated SLAs, are hereby ratified and shall remain in full force and effect, unaltered by this Amendment.

Should this Amendment be executed after the Effective Date stated above, all terms and conditions of the Licensee MLA as amended herein shall operate retroactively to Effective Date.

of February 27, 2019

REQUEST FOR RESOLUTION

Date: February 12, 2019

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Authorizing extension of Master License Agreements for telecommunication service providers.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

Tacoma Power and Tacoma Water request Public Utility Board authorization to extend the existing Master License Agreements (MLA) through December 31, 2021 to provide time to bring the existing telecommunications program into alignment with current industry practices.

3. Summarized reason for resolution:

The current program was approved with an initial 5-year term, and allowed for up to three (3) additional 5-year terms, for a total of 20 years. Many of the oldest agreements are now expiring.

4. Attachments:

- a. Contracts & Awards Letter to Extend Master License Agreement
- b. Resolution to Extend Agreement
- c. Resolution U-9288 Authorize Master License Agreement

5. ☐ Funds available ☐ Proposed action has no budgetary impact

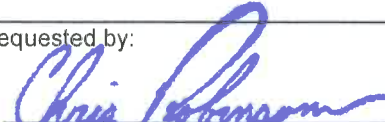
6. Deviations requiring special waivers:

Originated by:



Section Head

Requested by:



Division Head

Approved:



Director of Utilities



TO: Jackie Flowers, Director of Utilities
FROM: Chris Robinson, Power Superintendent, Tacoma Power
Scott Dewhirst, Water Superintendent, Tacoma Water
COPY: Public Utility Board, Board Clerk; C. Mattson, Generation Manager
SUBJECT: Master License Agreement for Telecommunications Providers
Authorization to Extend Existing Agreements
DATE: February 12, 2019

RECOMMENDATION SUMMARY:

Tacoma Power and Tacoma Water request Public Utility Board authorization to extend the existing Master License Agreements (MLA) through 2021 to provide time to bring the existing telecom program into alignment with current industry practices.

BACKGROUND:

In response to the passage of the 1996 Telecommunications Act by the FCC, which deregulated the telecommunications industry and resulted in a number of service providers asking to use Tacoma Power and Tacoma Water properties for cell tower sites, TPU developed a Telecom Licensing Program to manage those requests. The program was approved by the Public Utility Board under Resolution U-9288 on September 10, 1997.

Part of the program included a Master License Agreement (MLA) to be used to formalize agreements between TPU and the service providers. Those MLAs were approved for an initial 5-year term, and allowed for up to three additional 5-year terms, as agreed to by both parties, for a total of 20 years. Many of those agreements are now expiring.

In a parallel effort, Tacoma Power and Tacoma Water are working to bring the program into alignment with the current practices for this industry. After some research, Tacoma Power, Tacoma Water and our Legal department found that the MLA is an antiquated instrument, and have begun a process to update the instrument and the overall program. Tacoma Power is currently soliciting proposals from consulting companies who can help develop the appropriate instruments, fee structure, and other program requirements going forward.

Because of the time required to develop the new program, we are asking for authorization to extend the existing agreements through December 31, 2021 to provide continuity from the old to the new programs.

We respectfully request your approval to submit this matter to the Public Utility Board for their consideration.

APPROVED:


Jackie Flowers
Director of Utilities



RESOLUTION NO. U-9288

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3 WHEREAS passage of the 1996 Telecommunications Act has resulted
4 in further deregulation of the telecommunications industry, and has resulted
5 in an increasing number of telecommunications service providers seeking to
6 use Light and Water Division properties for unmanned radio antenna sites,
7 and the Divisions have now developed a Master License Agreement because
8 they desire to facilitate community access to telecommunications service
9 providers on a competitively neutral basis, and enable the best use of the
10 Divisions' properties, and
11

12 WHEREAS the Master License Agreement is non-exclusive and has
13 an initial five-year term with 3 five-year renewal terms; and under the terms of
14 the agreement, telecommunications service providers shall be required to
15 pay a monthly fee based on the number of sites licensed and with an annual
16 escalation of the fee by 4.45 percent, and said agreement allows the
17 Divisions to seek reimbursement for costs to administer the proposed
18 agreement, and further sets forth the general terms and conditions, and
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21 WHEREAS additional terms and conditions with individual licensees
22 will be required to supplement the Master License Agreement terms and will
23 be set forth in the Site License Acknowledgment, and
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25 WHEREAS it is beneficial to approve the non-exclusive, five-year
26 (plus 3 five-year renewal terms) Master License Agreement and authorize the
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Light and Water Divisions to use and implement said agreement for all telecommunications service providers who desire to use the Divisions' properties for unmanned radio antenna sites, and copies of the agreement and explanatory memorandum are on file with the Clerk of the Board, and

WHEREAS it is in the best public interest to approve and authorize execution of the Master License Agreement; Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the proposed Master License Agreement is approved and the proper officers of the City of Tacoma are authorized to execute, use and implement said agreement for all telecommunications service providers who desire to use the Light and Water Divisions' properties for unmanned radio antenna sites, and said agreement sets forth the general terms and conditions, including fees and costs to be paid to the Light and Water Divisions, provided that each individual licensee also shall execute a site specific Site License Acknowledgment with the Light or Water Division, as the case may be, and said agreement to be substantially in the same form as that on file with the Clerk and as approved by the City Attorney.

Approved as to form & legality:

Mark Bubenik
Chief Assistant City Attorney

Lydia Stevenson
Clerk

res/ml-agmt [062597]

Ross Singleton
Chairman

William J. Barker
Secretary

Adopted September 10, 1997

Request for Board meeting

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

of June 25, 1997

REQUEST FOR RESOLUTION

Date June 12, 1997

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Authorize approval of a Master License Agreement for telecommunication service providers.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

To authorize approval of a non-exclusive Master License Agreement. This Agreement will be offered to telecommunication service providers that request use of Light and Water Division properties to locate unmanned radio antennas and associated equipment. Under terms of the Agreement, telecommunication service providers will pay a monthly fee that is dependent on the number of sites licensed. In addition, the Agreement provides an annual escalation fee of 4.45 percent and allows the Divisions to seek reimbursement for costs to administer the proposed Agreement.

3. Summarized reason for resolution:

Passage of the 1996 Telecommunications Act in early 1996 and ongoing Federal Communications Commission bandwidth auctions have resulted in an increasing number of telecommunication service providers inquiring about use of Light and Water Division properties for unmanned radio antenna sites. The Agreement was developed because the Divisions' desire to facilitate community access to telecommunication services and enable the best use of their properties.

4. Attachments:

- a. Memo to Mark Crisson from Steven J. Klein and Kenneth J. Merry dated June 12, 1997
- b. Master License Agreement
- c.
- d.
- e.
- f.

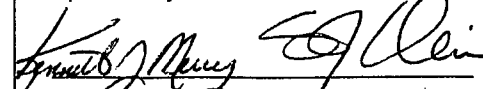
5. ☐ Funds available ☒ Proposed action has no budgetary impact

6. Deviations requiring special waivers: ☒ None

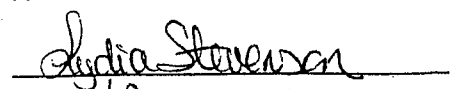
Initiated by:


Section Head

Requested by:


Division Head

Approved:




Director of Utilities



MEMORANDUM

DATE: June 12, 1997

TO: Mark Crisson, Director of Utilities

FROM:  Steven J. Klein, Superintendent, Light Division
 Kenneth J. Merry, Superintendent, Water Division

SUBJECT: Master License Agreement for Telecommunication Service Providers

RECOMMENDATION: The Light and Water Divisions (Divisions) request Public Utility Board authorization to establish a Master License Agreement (MLA). The proposed MLA will govern the installation, maintenance, and operation of unmanned radio antennas and associated equipment (Communications Facility) located by telecommunication service providers (Telecom Service Providers) on the Divisions' properties.

BACKGROUND: Congress, in passing the 1996 Telecommunications Act, sought to increase growth and competition in the telecommunication industry through its further deregulation. Following Congressional action and ongoing Federal Communications Commission bandwidth auctions, an increasing number of Telecom Service Providers are inquiring about use of the Divisions' properties. Consequently in the spring of 1996, the Divisions opted to develop an agreement to facilitate community access to telecommunication services and enable the best use of the Divisions' properties.

On June 12, 1996, the Public Utility Board approved Resolution U-9191 authorizing the Divisions to enter into an agreement, a precursor to the proposed MLA, with Sprint Spectrum L.P. for use of the Divisions' properties.

The Divisions now wish to establish a single "master" license agreement to offer to Telecom Service Providers. Although the earlier Sprint agreement does not differ materially from the proposed MLA, it includes modifications that reflect both experience gained by staff through its administration of the Sprint agreement and comments provided by other interested Telecom Service Providers.

PROPOSED MLA:

Purpose

- The MLA is a non-exclusive agreement that governs the installation, maintenance, and operation of a Communications Facility located by a Telecom Service Provider on the Divisions' properties.

Use

- The type of sites potentially available to a Telecom Service Provider include transmission line towers, communication tower sites, substation sites, raw land, water stand pipes, and/or other Division buildings.

- The proposed MLA establishes standards, including penalties, that cover a Telecom Service Provider's installation, maintenance, and operation of its Communications Facilities.
- The proposed MLA emphasizes the primacy of the Divisions' operations, local laws, and zoning.

Term

- The proposed MLA has an initial five-year term and three, five-year renewal terms.
- The proposed MLA grants each party termination rights, including allowing the Divisions to terminate an MLA and/or individual Site License Application (SLA) with 12 months' written notice.

Application and Reporting

- A Telecom Service Provider submits for each site an SLA to the Divisions for their review and approval. The SLA contains specific, detailed information and conditions for use of a particular site.

Fees


- Under the proposed MLA, a Telecom Service Provider will pay \$4,178 a month for the first five sites licensed. If more than five sites are licensed, the monthly fee for each additional site is \$836, subject to discounts that are dependent on the number of sites licensed (e.g., 6-10 sites, 20 percent discount; 11-15 sites, 30 percent discount). The MLA also provides for an annual escalation of the fee by 4.45 percent.
- The Divisions may seek reimbursement from a Telecom Service Provider for Division costs associated with administering the proposed MLA.

SUMMARY: Both Light and Water Divisions believe the proposed MLA is an appropriate instrument to provide access to their facilities, to generate income for the use of such facilities, and to facilitate community access to wireless communications services.

Currently, GTE, AT&T, and Western Wireless have expressed interest in executing the proposed MLA.

We request your approval to submit this matter to the Public Utility Board for their consideration.

APPROVED:


for Mark Crisson
Director of Utilities

MASTER LICENSE AGREEMENT

Between

City of Tacoma
Department of Public Utilities

and

This Master License Agreement ("Agreement" or "MLA"), dated as of _____, 19__ is made by and between the City of Tacoma, Department of Public Utilities, a municipal corporation ("Licensor"), and _____, a _____ Corporation ("Licensee"). Licensor and Licensee may be referred to where appropriate individually as a "Party" or collectively as the "Parties".

RECITALS

WHEREAS Licensor owns or has other legal rights to certain property including land, improvements to that land, and structures on that land.

WHEREAS Licensee wishes to obtain a non-exclusive license to certain portions of Licensor's property for purposes of locating unmanned radio and/or wireless communications and direct support equipment on such property.

WHEREAS in that the Licensor desires to facilitate community access to telecommunication services and enable best use of its properties, the Licensor opts to provide access to its properties for the purpose of attaching equipment in furtherance of lawful telecommunication services.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration, the Parties agree as follows:

1. MASTER LICENSE AGREEMENT

This Agreement contains the basic terms and conditions upon which a Site is licensed by Licensor to Licensee. When the parties agree on the particular terms for a Site, the parties will execute a Site License Acknowledgment (SLA) in the form attached as Exhibit A. Each executed SLA is agreed to be incorporated herein as a part of this Agreement. The terms and conditions of this Agreement shall govern and control except if there is a clear expressed inconsistency between the terms and conditions of any SLA and this Agreement, in which case the SLA shall be applicable. Licensee may record a memorandum of the SLA. Upon termination of the SLA for any reason, Licensee will record a notice of termination of the SLA if Licensee previously recorded a memorandum of the SLA.

2. TERM

a) TERM OF THE AGREEMENT

This Agreement will have an Initial Term of five (5) years commencing on the Execution Date of this Agreement. The term of this Agreement will be automatically renewed for three (3) additional Renewal Terms, unless either Party provides written notice to the other Party of its intention not to renew ninety (90) days prior to the expiration of the Initial Term or any Renewal Term.

b) TERM OF AN SLA

The term of an SLA shall begin on the Commencement Date and will terminate concurrent with this Agreement, unless otherwise terminated as provided in this Agreement. Licensee may enter the Site stated in the SLA before the Commencement Date, to the extent that such entry is related to engineering surveys, inspections or other reasonable necessary tests required prior to construction and installation of the Equipment subject to the conditions addressed in Section 11, "Access to the Site."

3. TERMINATION

a) LICENSEE

- i) In addition to any other rights to terminate an SLA or this Agreement, Licensee shall have the right to terminate an SLA upon sixty (60) days prior written notice if Licensee is unable to use a Site for the Equipment in the manner originally intended by Licensee when executing the SLA.
- ii) In addition to any other event of termination of an SLA or this Agreement, Licensee shall have the right to terminate an SLA upon thirty (30) days prior written notice upon the occurrence of any of the following:
 - a) any certificate, permit, license or approval affecting Licensee's ability to use the Site in the manner originally intended by Licensee is rejected, or
 - b) if any previously issued certificate, permit, license or approval is canceled, expires, lapses, or is otherwise withdrawn or terminated by the applicable governmental agency.

b) LICENSOR

Notwithstanding any other provision in any SLA or this Agreement, Licensor shall have the right to terminate this Agreement and/or any or all SLAs upon twelve months prior written notice.

4. DEFINITIONS

When used with initial capitalization, the following terms shall have the meaning set forth below:

- a) Annual Fee: The sum of annual fees for all sites as calculated in accordance with the schedule set forth in the attached Exhibit B, and Section 18, "Fees."
- b) Acquiring Affiliate: Any person or entity that controls, is controlled by or under common control with Licensee.
- c) Commencement Date: The date an SLA was executed by both Parties.
- d) Environmental Hazards: means hazardous substances, hazardous wastes, pollutants, asbestos, polychlorinated biphenyl (PCB), petroleum or other fuels

(including crude oil or any fraction or derivative thereof) and underground storage tanks. The term "hazardous substances" shall be defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund), and any regulations promulgated pursuant thereto. The term "pollutants" shall be as defined in the Clean Water Act, and any regulations promulgated pursuant thereto. The term "remediate" shall be defined as all actions necessary to satisfy the requirements of the Model Toxics Control Act (WAC 173-340) or CERCLA and any regulations promulgated pursuant thereto.

- e) Equipment: Unmanned radio and/or wireless communications and direct support equipment, necessary for transmission and receipt of radio/wireless communications between Licensee's sites or Sites. Equipment may include radio base and/or repeater stations, antennas, microwave dishes, towers, cables and equipment cabinets.
- f) Execution Date: The date the Agreement was executed by both Parties.
- g) Force Majeure: An event of Force Majeure means any act of nature or other event beyond the reasonable control of a party, such as, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control.
- h) Initial Term: The Initial term of this Agreement is (5) five years commencing on the Execution Date of this Agreement.
- i) Instrument: Is an underlying master license, easement, license, franchise, permit or other instrument of authorization or conveyance.
- j) Property: Land, improvements to land, structures on that land.
- k) Renewal Term: A Renewal Term equals (5) five years.
- l) Site: The specific portion of Licensors' property at each individual location licensed to Licensee.
- m) Work: Installation, maintenance, repair, relocation and/or removal of Equipment and other work performed in connection with this Agreement.

5. SITE LICENSE APPROVAL

- a) Licensee has the right at its sole cost and expense to erect, maintain, replace and operate at each Site only that Equipment specified on a SLA. Prior to commencing any installation, upgrade, and/or alteration of a Site, Licensee must obtain Licensors' prior written approval (or disapproval as the case may be) in the form of a new or revised SLA for the Site.
- b) Licensors will use reasonable efforts to notify Licensee of its approval or disapproval of a proposed SLA within twenty (20) business days after receipt of the proposed SLA by Licensors.
- c) In the event that Licensors gives its written consent to a proposed SLA, Licensee shall install the Equipment in strict accordance with:
 - i) The proposed SLA thereof,
 - ii) Any conditions or qualifications specified by Licensors in its consent, and
 - iii) The provisions of this Agreement, to the extent this Agreement is not inconsistent with the SLA.

6. SITE ACCEPTANCE

- a) Licensee will be deemed to have accepted the Site only at the time Licensee commences installation of the Equipment at the Site pursuant to the SLA approved by Licensor. Conducting feasibility and cost assessments and other inspections on the Site is not deemed to be acceptance.
- b) Acceptance of the Site by Licensee is conclusive evidence that Licensee:
 - i) accepts the Site as suitable for the purpose for which it is Licensed;
 - ii) accepts the Site and any structure on the Site and every part and appurtenance thereof AS IS, with all faults; and
 - iii) waives all claims against Licensor in respect of defects in the Site and its structures and appurtenances, their habitability or suitability for any permitted purposes, except:
 - a) as expressly provided otherwise in this Agreement;
 - b) to the extent the claim results from an intentional or willful act of Licensor, its employees, agents or contractors; or
 - c) if resulting from a known claim by a third party not identified by Licensor in its representations under this Agreement.

7. USE

Subject to the terms and conditions contained in this Agreement and the SLA relating to the Site, Licensor grants a non-exclusive license to Licensee and Licensee accepts a non-exclusive license from Licensor for the Site(s).

- a) A Site may be used by Licensee only for the installation, operation, upgrading, repair, maintenance and removal of the Equipment and related telecommunications activities as agreed in the SLA. Such installation, repair, operation, upgrading, maintenance and removal by Licensee at the Site shall be lawful and in compliance with all applicable laws, orders, ordinances and regulations of federal, state, and local authorities having jurisdiction.
- b) Licensee shall, at its sole cost and expense, install, maintain, remove, upgrade and operate at the Site only that Equipment specified on the applicable SLA. Licensee must install, operate and maintain the Equipment in a manner that does not interfere in any way with the operations on the Site of Licensor or any other users of the Site. Licensee shall not use or permit any use of a Site that will in any way:
 - i) conflict with any applicable law, statute, regulation, ordinance, rule, order or other requirement, now or hereafter in effect, of any governmental authority;
 - ii) cause or constitute any nuisance, noxious odors, unsafe condition, Environmental Hazards in or about the Site;
 - iii) interfere with the rights, operations, or disturb the quiet enjoyment of Licensor, other users of the Site, or any other person lawfully on the Site; or
 - iv) except as allowed in Section 26 b), "Insurance" cause a cancellation, increase the premiums for or deductible under or otherwise affect any fire, casualty, property, liability or other insurance covering the Site.

- c) The type of Sites potentially available to Licensee by Licensors include, but are not limited to transmission line towers, communication tower sites, substation sites, raw land, stand pipes, and buildings. Licensors may, at Licensors's option, perform installation, maintenance, and repairs of Licensee's Equipment at Licensors's transmission tower sites in coordination with Licensee at Licensee's sole cost and expense. Licensors has the right to define the level of reasonable coordination required for the installation, maintenance, and repairs of Licensee's Equipment at communication tower sites, substation sites, raw land, stand pipes, and buildings. Such coordination shall be defined within each SLA. Licensors will respond to Licensee's request regarding coordination of the installation of the Equipment within twenty (20) days after receiving Licensee's request.
- d) Any structural work on a structure on the Site, or any work involving a material alteration of any portion of the Site, must be designed by a licensed structural engineer licensed in the State of Washington. Final designs and all calculations must be submitted to the Licensors for final approval, which approval shall not be unreasonably withheld. The cost of all design and Licensors review fees shall be at the Licensee's sole cost and expense. For purposes of the foregoing, Licensee's subsequent changing out of Equipment previously installed at a Site with Equipment of substantially the same size in the course of repairs or upgrading the Equipment will not be deemed to be a material alteration.
- e) Licensee acknowledges that the License to use the Site is secondary to both power system operations, maintenance, and related activities, and water system operations, maintenance, and related activities which are the primary uses of the site.
- f) Licensors shall, at Licensee's expense, execute such appropriate documents and applications as may be required (i.e., by virtue of Licensors's ownership of or rights in the Site) by any governmental agency with jurisdiction in order for Licensee to obtain the necessary licenses, permits or other approvals from such governmental agency to use the Site as contemplated by this Agreement and the applicable SLA; provided, however, that Licensors shall not under any circumstances be obligated to execute any application or other document that, in Licensors's reasonable judgment, will in any way impair, limit or adversely affect Licensors's rights in or ownership or use of the Site or which creates an unjustifiable liability to Licensors.

8. MINIMUM STANDARDS FOR COMMUNICATION SITES

- a) The Licensors retains the right to visually inspect Licensee's equipment at any reasonable time to ensure compliance with Site standards presently in effect or as may be amended. This clause shall not be construed as a duty to inspect.
- b) Each transmitter and receiver at the site shall be identified with a copy of the Federal Communications Commission (FCC) license documentation, if applicable, SLA document number, name of person or service agency responsible for repairs, their 24-hour telephone number, and the equipment transmit and/or receive frequencies.

- c) All communications fixed transmitter installations shall employ isolators or alternative techniques meeting the same criteria, to minimize spurious radiation and intermodulation products in accordance with the requirements of the Western Washington Cooperative Interference Committee (WWCIC) Engineering Standard #6 dated January 1997 or later. Additionally, transmitters in the 1950 to 1965 MHz range shall have at least 30 dB of isolation followed by either a low pass filter and a bandpass cavity with at least 45 dB of attenuation 1.0 MHz removed from the operating frequency or simply the bandpass cavity without the filter, provided that testing reveals that the low pass filter is not needed.
- d) General Engineering Standards shall be observed as follows:
- i) A bandpass cavity or crystal filter is recommended at the input of all receivers. Its purpose is to protect against RF energy "off frequency" from mixing in a non-linear device such as the first RF amplifier in a receiver, which can re-radiate causing interference.
 - ii) The band reject duplexer (cross notch duplexer) may not be used without a cavity/isolator outlined above.
 - iii) Single braid coax cable is prohibited. Double shielded cable must have over 98.5% shield coverage.
 - iv) Jacketed coaxial cable is required, unjacketed transmission line of any type is prohibited.
 - v) Use of "N," "TNC," or "DIN" or other types of constant impedance connectors is preferred over a non-constant impedance types. Every effort should be made to prevent the use of coax adapters.
 - vi) All equipment is to be grounded and shielded using the "Single Point Grounding" technique. Grounding is to be done with copper strap or heavy braid to a station ground grid. The "green wire" of the AC power plug is not an acceptable grounding point.
 - vii) Transmitting systems must be checked periodically, which includes the isolator, VSWR on the load port of the isolator and overall system insertion loss.
 - viii) Bare metallic ties are prohibited for securing transmission lines to towers. In the case of large lines, use of stainless steel or galvanized hangers is permitted. Hardware capable of rusting and dissimilar metals are prohibited. Transmission lines are to be insulated from metallic structures/objects. It is the duty of the installation personnel to prevent "diode junctions" from taking place.
 - ix) All loose wire or metal objects are to be removed from the tower and site. All new metal fencing associated with transmitter sites shall be plastic coated.
 - x) All equipment shall be licensed and operated in full accordance with all applicable rules and regulations of the regulating agency (FCC, NTIA). There shall be no modifications which violate "FCC Type Acceptance."
 - xi) It is recommended that all equipment be labeled with the owners name and a current 24-hour telephone contact number (service agency is acceptable).
 - xii) Every effort should be made to protect the equipment from lightning damage. Feed-through lightning protectors shall be used on all coaxial cable connections to equipment enclosures. Gas, gap and MOV protectors shall be used on control, audio, telephone and power connections.

e) Interference Policy Statement:

- i) In the event radio interference (RI) occurs all users of the Site are required to participate in solving the problem by providing technical personnel and test equipment to locate the source of the specific problem within a reasonable amount of time. The user(s) found to be causing the interference shall be responsible for resolving such interference at their sole expense. In the event that such interference resulting from users other than Licensee is not corrected within thirty (30) days, Licensee may terminate the SLA per Section 3. a), "Termination." Specifically as to Licensee, Licensee shall not use the Site in any way which interferes with the use by Licensor or any other tenant or Licensee. All equipment must be maintained in good working order and meet original manufacturers and FCC specification for reduction of transmitter spurious radiation.
- ii) Involved systems, not in full compliance with the standards, will be asked to comply immediately.
- iii) The standards listed are minimums found to be good engineering practices in the operation and maintenance of electronic sites.
- iv) An intermodulation study shall be performed by the Licensee, and a copy provided to the Licensor, for each transmitter added by the Licensee to a Site containing other transmitters or in the proximity of other transmitters. New transmitters shall be designed to avoid the potential for intermodulation interference.

9. ENVIRONMENTAL MATTERS

- a) Licensor represents and warrants that it will notify Licensee, to the best of its knowledge, of all material Environmental Hazards on each site that may adversely impact Licensee. Nothing in this Agreement or in any SLA will be construed or interpreted to require that Licensor or Licensee remediate any Environmental Hazards located at any Site unless Licensee or Licensee's officers, employees, agents, contractors, or actions placed the Environmental Hazards on the Site, or are otherwise legally responsible.
- b) Licensee will not bring, keep or transport any environmental hazards to, on or across any Site without Licensor's prior written approval which approval will not be unreasonably withheld, conditioned or delayed, except that Licensee may keep on the Site substances used in back up power units such as batteries and diesel generators commonly used in the wireless telecommunications industry. Licensee's use, storage, and handling of any approved substances constituting Environmental Hazards must comply with all applicable laws, ordinances, regulations, Licensor's requirements, and other provisions of this Agreement governing such use, storage, and handling. Under no circumstances will Licensee dispose of any Environmental Hazard on a Site. This provision shall survive termination of the Agreement and any particular SLA.

10. UTILITIES FOR THE SITE

- a) Licensee shall have the right, at its sole cost and expense, to obtain electrical and telephone service from any utility company that provides such service to the Site. Licensee may arrange for the installation of a separate meter and main breaker.
- b) The exact location of proposed utility routes and the manner of installation will be part of the SLA. If the route interferes with Licensor's current or potential future use of the Site, the Licensor may direct the installation to take a specific route and be conducted in a specific manner.
- c) Licensor understands and acknowledges that
 - i) to the best of its knowledge, the Site includes such non-exclusive easement rights as necessary to connect utility wires, cables, fibers and conduits to the Equipment, and
 - ii) Licensee shall pay for all of Licensee's utility charges and costs when due.
 - iii) Licensor may at its option provide utility power or communications to the Site at the request of the Licensee.

11. ACCESS TO THE SITE

- a) The following provision shall govern access to the Site by Licensee unless otherwise modified on the applicable SLA:
 - i) Access for construction, routine maintenance and repair and other non-emergency visits shall only be during business hours (defined as Monday through Friday, 7:00 a.m. to 7:00 p.m.) with twenty-four (24) hours advance notice to Licensor to arrange for an escort.
 - ii) In the event of emergency, as described by Licensee, Licensee may access the Site twenty-four (24) hours per day, seven (7) days per week, escorted by Licensor as arranged using the emergency phone number provided in Section 29, "Emergencies."
 - iii) Access to the Site may be by foot or motor vehicle.
 - iv) Access to the Site shall be subject to such additional conditions as may be imposed by Licensor from time to time which shall be in effect after twenty (20) days notice to Licensee.
 - v) Access to the Site is secondary to emergency power and water system operations and maintenance at the site.
- b) Licensee acknowledges that the foregoing access rights are subject to any limitations or restrictions on access imposed upon Licensor (and therefore upon Licensee) by the fee owner under any underlying License, easement, lease or license document relating to a particular Site. Licensee agrees to abide by any such limitations or restrictions.

12. PERFORMANCE OF THE WORK

- a) Except as otherwise agreed upon by the Parties in writing, Licensee shall furnish all personnel, supervision, labor, transportation, tools, Equipment and materials for performance of the Work. All Work will be undertaken at Licensee's sole cost and expense. Licensee shall expeditiously and efficiently perform the Work in accordance with the SLA and the provisions of this Agreement. Licensee shall not independently hire any employee of Licensor to perform any of the Work (e.g., other

than in the course of his or her employment with Licensor with respect to Work that Licensor agrees to perform for Licensee).

- b) Licensee shall perform the Work in a workmanlike and skillful manner and, (a) the Equipment will be safe and used in conformance with manufacturers' and installers' guidelines, (b) of first-class quality for Licensee's intended purpose, and (c) in conformance with such license requirements and specifications as Licensor shall from time to time reasonably prescribe after thirty (30) days notice and all applicable laws and the regulations, orders and decrees of all lawfully constituted bodies and tribunals with jurisdiction thereof pertaining to the construction, operation and maintenance, including without limitation, the requirements of the latest edition of the National Electrical Safety Code and Licensor's specifications.
- c) Licensee shall promptly and satisfactorily correct or replace any Work or Equipment found to be defective or not in conformity with the requirements of this Agreement. If Licensee fails or refuses to perform any Work required by this Agreement or to make any such corrections or replacements, Licensor may, after ten (10) days notice to Licensee or sooner, upon Licensor's determination of an emergency, perform such Work and make such corrections and replacements in coordination with Licensee at Licensee's sole risk and expense and Licensee shall reimburse Licensor for the entire expense thereby incurred.
- d) Work must not adversely affect the structural integrity, maintenance of the Site or any structure or improvement on the Site and the resulting Equipment on the Site shall be reasonably inconspicuous.
- e) The Work is subject to preemption by Licensor due to Licensor's work to restore the operation of the power or water systems, however, such preemption shall occur only in an emergency situation, as determined by Licensor, and with reasonable notice to Licensee (within twenty-four (24) hours) of such emergency. Upon the occurrence of a preemption, the Annual Fee shall be abated on a prorated basis for the duration of the preemption, or Licensee may terminate the SLA upon fifteen (15) days notice to Licensor.
- f) Licensee shall ensure that all personnel who perform the Work shall be fully experienced and properly qualified to perform the same. Licensee shall, if so requested by Licensor, remove from performance of the Work any personnel whom Licensor finds to be incompetent, careless or otherwise unsafe.
- g) Licensee hereby acknowledges that Licensor employs workers covered by one or more collective bargaining agreements. In the event of any actual or potential labor dispute between Licensor and its workers that is, in whole or in part, based upon or otherwise arises out of the performance of the Work or this Agreement, Licensee will cooperate with Licensor as is reasonable.
- h) Licensee shall, at all times, keep the Site reasonably cleared of all rubbish, refuse and other debris and in a neat, clean and safe condition. Upon completion of any

portion of any of the Work, Licensee shall promptly remove all rubbish, refuse, debris and surplus materials.

- i) The Work and the Equipment (i.e., as it relates to the Work) shall at all times be subject to reasonable visual inspection by Licensor. No inspection, delay or failure to inspect, or failure to discover any defect or non-compliance by Licensor shall relieve Licensee of any of its obligations under this Agreement. Upon 24 hour prior notice to Licensee, Licensor may test the Licensee's Work and Equipment, excluding radio electronics and computer equipment that reasonably could be considered proprietary. Licensee may have a representative present at any testing of the Work and/or the Equipment.
- j) Licensee shall give immediate attention to, and shall use reasonable efforts to promptly, courteously and equitably respond to, adjust and settle (without obligating Licensor in any way), all complaints received by Licensee from third Parties arising out of or in connection with performance of the Work. Licensee shall promptly notify Licensor of all such complaints and any action taken (or to be taken) in connection therewith. In handling any complaints, Licensee shall use its best efforts to maintain and promote good public relations for Licensor and Licensee.

13. COOPERATION AND COORDINATION

- a) Licensee acknowledges and anticipates that the Work may be interfered with and delayed from time to time on account of the concurrent performance of work by Licensor or others under contract with Licensor. Upon the occurrence of any interference, Licensee shall have the right to elect any of the remedies in Section 12. e), "Performance of Work." If Licensee does not terminate the SLA, Licensee shall fully cooperate and coordinate the Work with such other work so as to minimize any delay or hindrance of any work.
- b) If any part of the Work depends upon the results of other work by Licensor or others, Licensee shall, prior to commencing the Work, notify Licensor in writing of any actual or apparent conflicts, deficiencies or defects in such other work that render it unsuitable for performance of the Work. Failure of Licensee to so notify Licensor shall constitute an acceptance by Licensee of such other work as suitable for performance of the Work.

14. PROTECTION OF PROPERTY AND PERSONS

- a) Licensee shall take all reasonable precautions which are necessary to prevent bodily injury (including death) to persons and damage to any property or environment arising in connection with performance of the Work or the operation of the Equipment. Without limiting the generality of the foregoing, Licensee shall erect and maintain such barricades, signs, flags, flashers and other safeguards as are required by applicable law or regulations or as reasonably required from time to time by Licensor. Licensee shall reasonably inspect all goods, materials, tools, Equipment and other items in an attempt to discover any conditions which involve a risk of bodily injury (including death) to persons or a risk of damage to any property or the environment. In any event, Licensee is not guaranteeing discovery

of any such conditions or the prevention of any injury and is not responsible for any latent defects in the Equipment.

- b) All of Licensor's or third party's property damaged, altered or removed in connection with the performance of the Work or the operation of the Equipment shall be promptly repaired, replaced or otherwise restored by Licensee to at least as good quality and condition as existed prior to such damage, alteration or removal.

15. RISK OF LOSS

Licensee shall be responsible for and shall bear any and all risk of loss, deterioration, theft, vandalism or destruction of or damage to the Equipment and anything used (or to be used or consumed) in connection with the Work, unless destruction of or damage to the Equipment is solely caused by an act of gross negligence solely related to Licensor's activities on the Site.

16. REPAIRS

a) LICENSEE'S OBLIGATION

- i) Licensee must, at all times during the term of any particular SLA, at Licensee's sole cost and expense, keep and maintain the Equipment located by Licensee upon the Site in a structurally safe and sound condition and in good repair.
- ii) If Licensee does not make such repairs within thirty (30) days after receipt of notice from Licensor requesting such repairs and such repairs are required, then Licensor may, at its option, make the repairs. Licensee upon receipt of satisfactory documentation shall pay Licensor on demand Licensor's actual costs in making the repairs, plus Licensor's actual overhead.
- iii) If Licensee commences to make repairs within thirty (30) days after any written notice from Licensor requesting such repairs and thereafter continuously and diligently pursues completion of such repair, then the thirty (30) day cure period will extend for an additional sixty (60) days to permit the Licensee to complete said repairs.
- iv) If emergency repairs are needed to protect persons, or property, or to allow the use of the Site, Licensee must immediately correct the safety or use problem, even if a full repair cannot be made at that time or Licensor may choose to make such repairs at Licensee's expense. Licensee shall obtain approval of the Licensor to access Site, in accordance with Section 11, "Access to Site," and make repairs and will coordinate with Licensor's emergency operations (pursuant to Section 11, "Access to Site") and maintenance activities.

b) LICENSOR'S OBLIGATION

- i) It is Licensor's intent, at all times during the term of any SLA and at Licensor's sole cost and expense, to keep and maintain the Site and any of Licensor's improvements located thereon in a structurally sound and safe condition. Provided, however, in the event that Licensor's facilities become structurally unsound, unsafe or fail, Licensor has no liability for monetary damages to Licensee or Licensee's employees, agents or contractors.
- ii) If Licensee is unable to use the Equipment because of repairs required on the Site or for any other reason not caused by the fault of Licensee, then Licensee

may immediately erect on the Site or an unused portion of the Site temporary Equipment, including any supporting structure, while Licensor makes repairs to the Site, provided that such temporary Equipment will be removed within fifteen (15) days of completion of repairs or replacement of the Site.

- iii) If Licensor after thirty (30) days prior notice to Licensee replaces any improvement on the Site that the Licensee has attached Equipment to, Licensee is solely responsible for the cost of the transfer of said Equipment to the new improvement.
- iv) If Licensor is required or requested to substantially relocate a Site and/or make related improvements by competent governmental or other entity with appropriate authority and Licensee has Equipment at said Site, Licensor shall provide Licensee reasonable notice prior to such relocation or making improvements and Licensee at its option may terminate the SLA under the provisions of Section 3. a) "Termination." In the event, Licensee does not terminate the SLA, Licensee is solely responsible for the cost of the relocation of said Equipment to the new location.

17. CASUALTY OR CONDEMNATION OF A SITE

- a) If there is a casualty to any structure upon which the Equipment is located, Licensor may elect to repair or restore the structure and, to the extent Licensee has the other necessary rights to do so, Licensee may immediately erect on the Site or a portion of the Site temporary Equipment while Licensor makes repairs to the Site and so long as the temporary Equipment and associated Work does not interfere with Licensor's own restoration. Licensor will provide Licensee with reasonable notice of its plans to repair or restore a structure. Upon completion of such repair or restoration, Licensee will be entitled to immediately reinstall the Equipment. In the event such repairs or restoration will, in Licensor's reasonable estimation, require more than sixty (60) days to complete, Licensee will be entitled to terminate the applicable SLA upon thirty (30) days prior written notice.
- b) If there is a condemnation of the Site including, without limitation, a transfer of the Site by consensual deed in lieu of condemnation, then the SLA for the condemned Site will terminate upon transfer of title to the condemning authority, without further liability to either Party under this Agreement. Licensee may pursue a separate condemnation award for the Equipment from the condemning authority provided that such award does not reduce the amount of Licensor's award.

18. FEES

a) ANNUAL FEE

i) First Year

- a) The first year annual fee for each Site shall be prorated to cover the period ending on the anniversary of the Agreement's Execution Date and beginning on the earlier of:
 - (1) thirty (30) days after the Commencement Date of the SLA or
 - (2) the date the Licensee commences installation of the Equipment on the Site.

- b) The Licensee will pay to Licensor the prorated annual fee (30) thirty days after the SLA's Commencement Date.
 - ii) Subsequent Years
 - a) In subsequent years; the annual fee for each Site will cover a period coincident with the anniversaries of the Agreement's Execution Date.
 - b) The Licensee will pay to the Licensor the Annual Fee on a prospective basis. The Annual Fee is due on or before the first day of the first month following the anniversary of the Agreement's Execution Date.
 - iii) Hold Over

The annual fee for each Site will continue past any termination of the SLA in accordance with the provision of Section 25 b) "Surrender of Site; Holding Over," and other applicable sections of this Agreement.
 - iv) Adjustment

The Annual Fee will be adjusted as provided in Exhibit B.
- b) OTHER FEES
- i) Licensee shall reimburse Licensor for any and all costs and expenses incurred by Licensor:
 - a) in connection with providing escorts at Site(s)
 - b) in connection with the processing and review of each proposed SLA.
 - c) in connection with Licensor's administration associated with existing SLAs or the Agreement.
 - d) in connection with services performed by Licensor at the request of Licensee (Whether prior to or after the submittal of a proposed SLA).
 - e) or as otherwise provided for in this Agreement.
 - ii) Without limiting the generality of the foregoing, amounts recoverable by Licensor hereunder shall consist of documented applicable engineering, inspection, construction, supervision, and/or administrative overheads, transportation, employee expenses, reproduction and/or graphic services, supplies, telephone service and other expenses.
 - iii) Licensee shall reimburse Licensor within thirty (30) days after submittal of a statement of such costs and expenses and supporting documentation.
- c) INTEREST
- If Licensee fails to pay when due, any Annual Fee, cost, and/or expense due to Licensor pursuant to this Agreement, then such amounts shall bear interest until paid at the rate of 1.5 percent per month.
- d) LATE FEE
- If Licensee fails to pay any Annual Fee, cost, and/or expenses due to Licensor pursuant to this Agreement within twenty (20) business days of when due, Licensor may require that Licensee pay to Licensor a late fee of \$150. The late fee is in addition to the interest Licensor may assess under Section 18, "Fees."
- e) CHANGES TO FEE SCHEDULE
- The Licensor specifically reserves the right to modify Exhibit B, Fee Schedule so as to account for changes in Licensor's accounting principals and policies, legal and/or regulatory changes, operation of Licensor's system, or any other reasons not delineated

herein. Licensor will provide Licensee 45-days prior notice of any proposed changes. Any modifications to Fees will be effective on the date of Licensor's execution of the revised Exhibit B.

19. PAYMENT OF FEES AND TAXES

Licensee is responsible for paying any and all additional fees and taxes, including but not limited to the Leasehold Excise Tax pursuant to Chapter 82.29A RCW (if applicable). Licensee shall have the right to appeal or contest at its sole expense (except as otherwise required by law) all personal property fees and taxes applicable to or incurred in connection with the Work, or the Equipment.

20. REIMBURSEMENT AND PAYMENT

Licensor shall invoice Licensee for all amounts payable by Licensee to Licensor under this Agreement (including, without limitation, the Annual Fees, costs and/or expenses described elsewhere in this Agreement) as they become due. Unless otherwise provided for in this Agreement, the Licensee shall pay each such invoice in full within thirty (30) days after Licensee's receipt thereof.

21. PAYMENT OBLIGATIONS

All payment obligations incurred under this Agreement shall be preserved until satisfied.

22. WARRANTS AND COVENANTS

- a) Each Party mutually represents and warrants to the other:
 - i) that it has the full right, power and authority to enter into this Agreement and the SLA's;
 - ii) that entering into this Agreement and the performance thereof will not violate any laws, ordinances, restriction, covenants, or other agreements under which said Party is bound, provided, however, that the foregoing is subject to, and will not limit in any way, the rights of Licensor and the obligations of Licensee under Section 23, "Default and Remedies," and provided further that, to the extent the foregoing warranty is made by Licensor, such warranty will not apply to any violation or breach that is caused by Licensee's failure to obtain and comply with all permits, licenses, franchises, rights-of-way, easements and other rights required to perform the Work and operate the Equipment in accordance with this Agreement;
 - iii) that each of the persons executing this Agreement on behalf of each Party represents and warrants that said Party is a duly organized and existing legal entity;
 - iv) that the Party is qualified to do business in Washington State or will be qualified prior to undertaking any activities at the Site that would require the Party to be qualified to do business in such state; and
 - v) that the persons signing on behalf of the corporation or limited partnership were authorized to do so.
 - vi) that Licensee will be solely responsible for payment of any fees associated with any dealings with any real estate brokers or agents on Licensee's behalf in connection with the negotiation of this Agreement.

- b) Licensee represents and warrants:
 - i) that it is, and at all times during the Initial Term or Renewal Terms shall be, properly authorized, licensed, organized, equipped and financed to perform the Work and to operate the Equipment and Licensee's system of which the Equipment is a part; and
 - ii) that it shall be, and operate as, an independent entity (not a contractor, agent or representative of Licensor) in the performance of the Work and the operation of the Equipment and Licensee's system. In no event shall Licensee be authorized to enter into any agreements or undertakings for or on behalf of Licensor or to act as or be an agent or representative of Licensor.
- c) Licensor represents and warrants,
 - i) to the best of its knowledge, that it owns good and marketable fee simple title, has a good and marketable leasehold interest, or has a valid license, easement or other legal right of use, in the land on which the Site is located and has rights of access thereto. Licensee has the ultimate responsibility to obtain all necessary authority for Licensee's use of each specific Site.
 - ii) Licensor does not warrant the suitability of any particular Site for the purposes for which Licensee may desire to use it; nor does Licensor warrant the adequacy of any Site's location, its condition, the condition of any structure or appurtenances for any purpose. Licensee takes each Site "AS IS", "WHERE IS" and "WITH ALL FAULTS".
 - iii) Except as specifically set forth in this Section and Sections 9, "Environmental Matters" and 33, "Quiet Enjoyment," Licensor makes no warranties, express or implied, including, without limitation, any warranties of habitability or fitness for a particular purpose with regard to any Site.

23. DEFAULT AND REMEDIES

a) LICENSEE EVENTS OF DEFAULT

The occurrence of any one or more of the following events constitutes an "event of default" by Licensee under the applicable SLA and this Agreement:

- i) if Licensee fails to pay after thirty (30) days notice from Licensor, the full amount of any fee or other payment under the applicable SLA or this Agreement, including terms and conditions applicable thereto contained in the Agreement;
- ii) if any Equipment placed on the Site by Licensee unreasonably interferes with any equipment located on the Site and Licensee:
 - a) fails to immediately cease operation of said Equipment, and
 - b) fails to resolve the interference within thirty (30) days.
- iii) if Licensee fails to perform or observe any other term of the applicable SLA, including terms and conditions applicable thereto contained in this Agreement, and such failure continues for more than thirty (30) days after written notice from Licensor; except such thirty (30) day cure period will be extended as reasonably necessary to permit Licensee to complete cure so long as Licensee commences cure within such thirty (30) day cure period and thereafter continuously and diligently pursues and completes such cure;
- iv) if Licensee deserts, abandons, or vacates any portion of a Site and fails to maintain any and all Equipment remaining at the Site;

- v) if any petition is filed by or against Licensee, under any section or chapter of the present or any future federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof (and with respect to any petition filed against Licensee, such petition is not dismissed within ninety (90) days after the filing thereof), or Licensee is adjudged bankrupt or insolvent in proceedings filed under any section or chapter of the present or any future federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof;
- vi) if a receiver, custodian, or trustee is appointed for Licensee or for any of the assets of Licensee and such appointment is not vacated within sixty (60) days of the date of the appointment; or
- vii) if Licensee becomes insolvent or makes a transfer in fraud of creditors.

b) LICENSEE'S DEFAULT

- i) If an event of default occurs pursuant to Section 23. a) "Default and Remedies," while Licensee remains in default, Licensors (without notice or demand except as expressly required above) may terminate the applicable SLA and all of Licensee's rights to the site, in which event Licensee will, within thirty (30) days of such termination, immediately surrender the applicable Site to Licensors. Licensee will become liable for damages equal to the total of:
 - a) the actual costs of recovering the Site;
 - b) the Annual Fee earned as of the date of termination, plus interest thereon, as specified in Section 18 f) "Fees" from the date due until paid;
 - c) all other sums of money and damages, if any, owing by Licensee to Licensors.
- ii) If at any time during this Agreement any of the events set forth in Section 23 a) "Default and Remedies" have previously occurred affecting three or more SLAs, Licensors, at its sole option, is entitled to terminate this Agreement upon thirty (30) days prior written notice to Licensee. Licensors may elect any one or more of the foregoing remedies with respect to any particular SLA.

c) LICENSOR'S DEFAULT

If Licensors defaults in the performance of any of its obligations with respect to any particular SLA or this Agreement, which default

- i) continues for a period of more than thirty (30) days after receipt of written notice from Licensee specifying such default, or
- ii) is of a nature to require more than thirty (30) days for remedy and continues beyond such time reasonably necessary to cure (and Licensors has not undertaken procedures to cure the default within such thirty (30) day period and diligently and continuously thereafter pursued such efforts to complete cure),

then Licensee may, as its sole and exclusive remedy, upon written notice terminate the applicable SLA. Provided, however, Licensors is potentially liable for its sole negligence for personal injuries as set forth in Section 27, "Indemnification and Limitation of Liability."

24. DISPUTE RESOLUTION

- a) Except as provided otherwise in this Agreement, any controversy between the Parties arising out of this Agreement or any SLA, or breach thereof, is subject to the mediation process described below. If not resolved by mediation, then the matter must be submitted to the American Arbitration Association ("AAA") for arbitration before a sole arbitrator in the City of Tacoma.
- b) A meeting will be held promptly between the Parties to attempt in good faith to negotiate a resolution of the dispute. The meeting will be attended by individuals with decision making authority regarding the dispute. If within thirty (30) days after such meeting the Parties have not succeeded in resolving the dispute, they will within thirty (30) days submit the dispute to a mutually acceptable third-party mediator who is experienced in dispute resolution. The Parties will participate in good faith in the mediation and the mediation process. The mediation shall be nonbinding. If the dispute is not resolved by mediation either Party may initiate an arbitration with the AAA, and the dispute shall be resolved by binding arbitration under the rules and administration of the AAA, provided, however, discovery shall be allowed to the same extent as allowed by Civil Rules for Superior Courts of Washington. Judgment upon the award rendered by the arbitrator(s) may be entered in a court having jurisdiction thereof. Neither Party is entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.
- c) The costs of mediation and arbitration, including any mediator's fees, AAA administration fee, the arbitrators fee, and costs for the use of facilities during the hearings, shall be borne equally by both Parties. Reasonable attorneys' fees may be awarded to the prevailing Party at the discretion of the arbitrator. Each Party's other costs and expenses will be borne by the Party incurring them.

25. SURRENDER OF SITE; HOLDING OVER

- a) Upon the expiration or other termination of an SLA for any cause whatsoever, Licensee shall peacefully vacate the applicable Site in as good order and condition as the same were at the beginning of the applicable SLA, except for reasonable use, wear and tear and casualty at no fault of Licensee and condemnation. Licensee has the absolute right to remove its Equipment within thirty (30) days after notice of termination. Licensee will repair any damage caused during the removal of the Equipment, normal wear and tear excepted.
- b) If Licensee continues to hold any Site after the termination of the applicable SLA, whether the termination occurs by lapse of time or otherwise, such holding over will, unless otherwise agreed to by Licensor in writing, constitute and be construed as a month-to-month tenancy at a monthly License Fee equal to 1/12th of 200% of the annual fee for such SLA and subject to all of the other terms set forth in this Agreement. Licensor shall still have the option to require Licensee's removal of all Equipment upon giving ten (10) days written (second) notice of termination of said month-to-month tenancy. If not so removed, at Licensor's option the Equipment shall become the property of the Licensor. Licensor may chose to remove said Equipment and charge Licensee for all costs related to such removal.

26. INSURANCE

a) REQUIRED INSURANCE OF LICENSEE

- i) Licensee shall, during the term of this Agreement and at its sole expense, obtain and keep in force, not less than the following insurance:
 - a) Property insurance, including coverage for fire, extended coverage, vandalism and malicious mischief, upon each Equipment in an amount not less than ninety percent (90%) of the full replacement cost of the Equipment;
 - b) Commercial General Liability insuring operations hazard, personal injury, independent contractor hazard, contractual liability, and products and completed operations liability, in limits not less than \$5,000,000 combined single limit for each occurrence for bodily injury, personal injury and property damage. The specific coverage limit may be satisfied through a combination of primary and excess liability insurance,
 - c) Worker's Compensation and Employer's Liability insurance; and
 - d) Surety Bond. Licensee shall provide a surety bond, in an amount sufficient to fulfill the obligations as set forth herein including removal of Equipment located at each Site. The amount of the surety bond shall be determined by the Licensor.
- ii) All insurance policies required of Licensee must be taken out with reputable national insurers that are licensed to do business in the State of Washington, or in the case of a Licensee who is proposing to self insure, Licensee shall provide Licensor with annual financial statements that are audited by a reputable accounting firm, which statements must reflect sufficient unencumbered reserves equivalent to the required insurance amounts. Licensee agrees that certificates of insurance will be delivered to Licensor as soon as practicable after the placing of the required insurance, but not later than the Commencement Date of a particular SLA. All policies must name Licensor as an additional insured and contain an undertaking by the insurers to notify Licensor in writing not less than thirty (30) days before any material change, reduction in coverage, cancellation, or termination of the insurance.
- iii) Licensor may review the limits for the insurance policies required by this Agreement on an annual basis. Policy limits shall be adjusted to proper and reasonable limits as circumstances warrant as determined by Licensor, but policy limits shall not be reduced below those stated above.

b) COMPLIANCE

- i) Licensee will not do or permit to be done in or about the Site, nor bring or keep or permit to be brought to the Site, anything that:
 - a) is prohibited by any insurance policy carried by Licensor covering the Site, any improvements thereon, or the Site; or
 - b) will increase the existing premiums for any such policy beyond that contemplated for the addition of the Equipment.
- ii) Licensor acknowledges and agrees that the installation of the Equipment upon the Site in accordance with the terms and conditions of this Agreement will be

considered within the underwriting requirements of any of Licensor's insurers and such premiums contemplate the addition of the Equipment.

27. INDEMNIFICATION AND LIMITATION OF LIABILITY

- a) To the fullest extent allowed by law, the Licensee agrees to indemnify, defend and hold harmless the Licensor, its officers and employees, from any and all claims for damages or loss to the Licensor's operations or property and from any and all claims or litigation. This includes damages, loss, and personal injury (including death) to property or persons including injuries or death to Licensee, or Licensee's agents, contractors, or employees which may be caused or occasioned by the existence, operation, use or maintenance of any and all of the property subject of this Agreement associated with the property granted hereunder, or caused or occasioned by an act, deed, or omission of the Licensee, Licensee's agents, employees, guests, customers, or invitees. In this regard, Licensee hereby waives immunity under Title 51 RCW, Industrial Insurance Laws. The Licensor agrees to be responsible for its sole negligence or the sole negligence of its employees and officers occurring within the scope of their employment.
- b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, LICENSOR SHALL NOT HAVE ANY LIABILITY TO LICENSEE FOR ANY: LOSS OF PROFIT OR REVENUE, LOSS OF USE OF THE EQUIPMENT OR THE SYSTEM, CLAIMS OF CUSTOMERS OF LICENSEE FOR SERVICE INTERRUPTIONS, OR INDIRECT, INCIDENTAL, SPECIAL, ECONOMIC OR CONSEQUENTIAL DAMAGES, AS A RESULT OF OR RELATED TO THE EQUIPMENT, THE EXISTENCE OF THE EQUIPMENT AT THE SITES, OR THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE, PRODUCT LIABILITY OR STRICT LIABILITY) OR OTHERWISE.

28. ASSIGNMENT

- a) BY LICENSEE
 - i) Licensee shall not assign or sublease this Agreement or any portion of its rights in this Agreement, except as follows:
 - a) to Acquiring Affiliate. Licensee must provide written notice to Licensor. The Acquiring Affiliate must certify to Licensor in writing (and provides such documents as may be reasonably requested by Licensor to establish) that the Acquiring Affiliate (a) is assuming all of the obligation of Licensee under this Agreement, and (b) is ready, willing and able to comply with all of the provisions of this Agreement; and provided further that Licensee furnishes to Licensor such information regarding the Equipment affected by such assignment or transfer, if any, as may reasonably be requested by Licensor;
 - b) to Licensee's lender(s) for security purposes in connection with the financing and refinancing, from time to time, by Licensee, provided that upon any transfer pursuant to any foreclosure of such security or any sale or other transfer in lieu of such foreclosure the person or entity acquiring the interests subject to such transfer assumes all of the obligations of Licensee under this Agreement; or

c) to any other person or entity except with the prior written consent of Licensor, which consent shall not be unreasonably withheld. In any event, no assignment or sublease, or otherwise, of this Agreement shall relieve Licensee from any of its liabilities or obligations under this Agreement. Following any assignment which is approved by Licensor, Licensee shall be relieved of all future performance liability and obligations under this Agreement. Subject to the foregoing restrictions on assignments without the prior written consent of Licensor, this Agreement shall be fully binding upon, inure to the benefit of and be enforceable by the successors and assigns of the respective Parties hereto.

ii) Notwithstanding the provisions *supra*, Licensee is expressly enjoined from permitting or licensing any person or entity to place equipment on the Site that is not an integral part of Licensee's Equipment.

b) BY LICENSOR

Licensor may make any sale, license, use or transfer of any Site, provided such sale, license, use or transfer is subject to the terms and conditions of this Agreement and the applicable SLA.

29. EMERGENCIES

a) In the event of an emergency relating to the Equipment, Licensee shall immediately contact Licensor at the emergency phone number below and take immediate action to correct any safety or use problems, including but not limited to the actions in Section 16 b), "Repairs," even if the full repair cannot be made at the time, in order to protect persons and property or to allow use of the Site. The Parties' respective emergency phone numbers are as follows:

Licensor: (253) 502-8602

Licensee: _____

b) Each Party shall promptly notify the other of any change in such Party's emergency phone number.

30. SUBORDINATION AND LIENS

a) SUBORDINATION

i) Licensee agrees that this Agreement and each SLA is subject and subordinate at all times to the lien of all mortgages and deeds of trust securing any amount or amounts whatsoever which may now exist or hereafter be placed on or against the Site or on or against Licensor's interest or estate therein, and any underlying license or master license on a particular Site, all without the necessity of having further instruments executed by Licensee to effect such subordination but with respect to any such liens, leases and licenses arising subsequent to the execution of this Agreement only if trustees or mortgagees will not disturb Licensee under this Agreement and the SLAs.

ii) Each SLA is subject to any restrictions or other terms or conditions contained in the instrument with respect to a particular Site. Licensee may request

copies of any and all applicable Instruments subject to reasonable compensation. Licensee agrees to commit no act or omission which would constitute a violation of the terms and conditions of any Instrument for a particular Site.

- a) Licensor shall not be required to obtain any consent required under any Instrument from the landlord or other party to such Instrument for purposes of this Agreement, unless expressly set forth in the SLA.
- b) If a restriction contained in an Instrument for a particular Site and not set forth on the applicable SLA prevents Licensee from installing, maintaining or operating the Equipment or accessing the Site, Licensee will be entitled to terminate the affected SLA immediately.
- c) Upon the termination or expiration of any Instrument with respect to a particular Site the SLA relating to such Site shall automatically terminate without further liability to either Party. Licensee acknowledges that some of Licensor's underlying Instruments may grant to the property owner the right to terminate such Instruments, and that in the event of such termination, the SLA with respect to such Site shall terminate concurrently therewith.
- d) Upon any sale or other transfer of all or any portion of a Site, the applicable SLA will automatically terminate except to the extent the purchaser or transferee and Licensee enter into an agreement for Licensee's continued use of the Site and release Licensor from any further obligation or liability with respect to the Site. Licensor shall have no obligation to request or obtain such agreement from the purchaser or transferee.
- e) Licensor will not materially breach the terms or conditions of any deed, lease, or permit with respect to a particular Site in a manner that causes Licensee to lose its use of the Site.

b) LIENS

- i) Licensor's Property is not subject to being foreclosed upon by Licensee's lenders, creditors, contractors or materialmen. Therefore, Licensee must keep all Sites free from any liens arising from any Work performed, materials furnished, or obligations incurred by or at the request of the Licensee. Licensee retains the right to use the Equipment as collateral in financial transactions to the extent that Licensor's rights and interests are not affected. However, all financing agreements are subject to the provisions of this Agreement.
- ii) Licensee must pay on demand any amount paid by Licensor for the discharge or satisfaction of any lien, and all reasonable attorney's fees and other legal expenses of Licensor incurred in defending any such action or in obtaining the discharge of such lien, together with all reasonable disbursements in connection therewith.

31. COMPLIANCE WITH LAWS

- a) In the performance of the Work and this Agreement, Licensee shall comply and shall ensure that all contractors hired by or acting on behalf of Licensee comply with all applicable:
 - i) Laws, ordinances, rules, regulations, orders, licenses, permits, franchises and other requirements, now or hereafter in effect, of any governmental authority;

- ii) Industry standards and codes; and
 - iii) Licensor's standard practices, specifications, rules and regulations which will be provided by Licensor to Licensee on request.
- b) Licensee shall obtain and comply (and shall ensure that all of Licensee's suppliers and subcontractors under contract with it or acting on behalf of it comply) with all permits, licenses, franchises, rights-of-way, easements and other rights required to perform the Work and operate the Equipment in accordance with this Agreement.
- c) Licensee shall furnish to Licensor such documents that it may reasonably require to effect or evidence compliance. All laws, regulations and orders required to be incorporated in agreements of this character are hereby incorporated herein by this reference. Compliance with Section 31, "Compliance With Laws" shall be the sole responsibility of Licensee and a continuing condition of the use of the Sites by Licensee.

32. FORCE MAJEURE

If a Party is delayed or hindered in, or prevented from performance required under this Agreement by reason of Force Majeure (other than any delay or failure relating to payment of money, including, without limitation, the Annual Fees and all reimbursable costs and expenses described elsewhere in this Agreement) such Party is excused from such performance for the period of delay. The period for the performance of any such act shall then be extended for the period of such delay.

33. QUIET ENJOYMENT

Licensor, to the extent of its legal rights and interest to any Site, covenants and warrants that Licensee or its assigns or transferees approved by Licensor, upon payment of the Annual Fees and performance of all the terms, covenants and conditions under this Agreement, will have, hold and enjoy each Site licensed under an SLA during the term of the applicable SLA or any renewal or extension thereof. Licensor will take no action not expressly permitted under the terms of this Agreement that will interfere with Licensee's intended use of a Site.

34. SEVERALTY

The invalidity or unenforceability of any provision of this Agreement or any SLA shall not affect the other provisions hereof, and this Agreement or SLA shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

35. SURVIVAL

All provisions of this Agreement which may reasonably be interpreted or construed as surviving the completion, termination or cancellation of this Agreement, shall survive the completion, termination or cancellation of this Agreement.

36. BINDING EFFECT

This Agreement and each SLA will be binding on and inure to the benefit of the respective parties' successors and permitted assignees.

37. NON-WAIVER

- a) The failure of either Party to insist upon or enforce strict performance by the other Party of any of the provisions of this Agreement, or to exercise any rights under this Agreement, shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such provisions or rights in that or any other instance; rather, the same shall be and remain in full force and effect.
- b) The Parties acknowledge and agree that they have been represented by counsel and each of the Parties has participated in the drafting of this Agreement and each SLA. Accordingly, it is the intention and agreement of the Parties that the language, terms and conditions of this Agreement and each SLA are not to be construed in any way against or in favor of any Party hereto by reason of the responsibilities in connection with the preparation of this Agreement or each SLA.

38. HEADINGS

The headings of sections of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or the SLA.

39. NOTICES AND OTHER COMMUNICATIONS

- a) Any formal notice, request, approval, consent, instruction, direction or other communication given by either Licensor or Licensee to the other pursuant to this Agreement shall be in writing and shall be delivered by both facsimile transmission and
 - i) 1) first class mail, return receipt requested or
 - ii) 2) by reputable overnight courier service to the individuals denoted below, unless otherwise directed in writing, at the address and fax number provided:

For the Licensor :

Title: Superintendent, Light Division

Address: Tacoma Public Utilities

Post Office Box 11007

Tacoma, WA. 98411-0007

Fax No: (253) 502-8378

For Licensee:

Title: _____

Address: _____

Fax No.: _____

- b) Informal notices such as billings, technical or routine business communications may be by facsimile with original being mailed. Either Party may from time to time change such address by giving the other Party notice of such change in accordance with the provisions of this Section. Notice deemed received one (1) business day following deposit with reliable courier, or three (3) business days following first class mailing.

40. TIMELY RESPONSE

Each Party shall take such prompt action (including, but not limited to, the execution, acknowledgment and delivery of documents) as may reasonably be requested by the other Party for the implementation of continuing performance of this Agreement.

41. EXAMINATION OF RECORDS

Licensee shall promptly furnish Licensor with such information reasonably related to the Work or the Equipment as may from time to time be reasonably requested by Licensor.

42. APPLICABLE LAW

The agreement shall be construed under the laws of the State of Washington. The venue for any legal action commenced to enforce any provision of this agreement shall be Pierce County.

43. ENTIRE AGREEMENT

This Agreement and each SLA constitutes the entire agreement and understanding between the parties, and supersedes all offers, negotiations and other agreements concerning the subject matter contained in this Agreement. There are no representations or understandings of any kind not set forth in this Agreement. Any amendments to this Agreement or any SLA must be in writing and executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF TACOMA,
DEPARTMENT OF PUBLIC UTILITIES

BY: _____
Steven J. Klein
Superintendent, Light Division
Date: _____

Approved as to form & legality:

Assistant City Attorney
Date: _____

LICENSEE

BY: _____
Title: _____
Date: _____

SLA No. _____

Exhibit A
Site License Acknowledgment

Master License Agreement

City of Tacoma
Department of Public Utilities

This Site License Acknowledgment ("SLA") is made to the Master License Agreement this _____, day of _____, 19 ____ by the City of Tacoma, Department of Public Utilities and _____. Capitalized terms used in this SLA have the same meaning as such terms in the Master License Agreement unless otherwise indicated.

1. Site Name and Number:

2. Site Address:

3. Site Legal Description:

4. The Site is:

- ☐ Owned by Licensor
- ☐ Leased by Licensor (copy attached)
- ☐ Used under easement to Licensor (copy attached)

5. FCC License Number _____ (Attach Copy)
Date Issued _____

6. General Description of Facility Licensed: (e.g. 20' of space beginning at 100' elevation of existing 140' communications tower.)

7. Antenna Physical Description: (e.g. array of 6 ea. mast antennas, vertically oriented, with steel mounting structure extending approx. 10' from existing lattice tower, at elevation _____.)

8. Electronic Cabinet Physical Description: (e.g. 3 ea. cabinets, 3'Wx3'Dx6'H each, elevated from the ground on wooden platform and posts, with power entrance conduits and communications cable conduits.)

9. Transmitter Description:

Manufacturer: _____

Model: _____

Frequency _____

Bandwidth _____

Power(ERP) _____

10. Utility services:

Power provided by: _____

Telecommunications Landline provided by: _____

11. Intermodulation Study Completed and Approved,

Licensor Approval (initials) _____

Date _____

12. Drawings Received by Licensor

Equipment Layout and Detail: Received (initials): _____ Date: _____

Antenna Attachment Detail: Received (initials): _____ Date: _____

Site Plans and Elevations: Received (initials): _____ Date: _____

13. Structural Integrity Study

Received _____ or waived _____ by Licensor (initials) _____

Date _____

14. Site Access Details and Provisions:

15. Plan for Minimizing Visual Impact of Equipment at Site:

16. Construction work requested of Licensor by Licensee:

17. Coordination Provisions between Licensor and Licensee (please refer to Section 7. C), "Use" and Section 13, "Cooperation and Coordination" of the MLA):

18. Additional Provisions:

CITY OF TACOMA,
DEPARTMENT OF PUBLIC UTILITIES,
LIGHT DIVISION

NAME: _____

Approved as to form & legality:

DATE: _____

Assistant City Attorney
Date _____

LICENSEE

BY: _____

TITLE: _____

NAME: _____

DATE: _____

Exhibit B
Fee Schedule

Master License Agreement

City of Tacoma
Department of Public Utilities

This Fee Schedule is made apart of the Master License Agreement this _____ day of _____, 19 ____ by the City of Tacoma, Department of Public Utilities. Capitalized terms used in this Fee Schedule have the same meaning as such terms in the Master License Agreement ("MLA") unless otherwise indicated.

1. Fee

The fee for each Site licensed under the MLA shall be \$836 per month payable in accordance with Section 18, "Fees" of the MLA.

2. Annual Adjustment

Commencing the first anniversary of the execution of this agreement, and on the same day of each year thereafter during the term of this Agreement, and any extensions thereof, monthly fees for all Sites for which SLA's have been executed, and for which SLA's are thereafter executed, shall be increased by the greater of 4.45% or inflation as defined by the Consumers Price Index (CPI-U) for All Urban Consumers U.S. City Average, measured year over year, as published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor.

Effective Date - 9/16/97



RESOLUTION NO. U-11062

A RESOLUTION directing staff to pursue grant funding for shore power and expressing the Public Utility Board's support of the creation of a rate design to facilitate the sale of power for the exclusive purpose of serving ships docked at the Port of Tacoma ("Shore Power Rate").

WHEREAS the Port of Tacoma is an international shipping port served by Tacoma Power, and

WHEREAS Tacoma Power has surplus generation capacity and would be able to reduce rates to all customers if it could increase its sale of retail power, and

WHEREAS many ships dock at the Port of Tacoma have systems that can accept power from shore (otherwise known as "shore power") rather than use onboard power generation systems that burn fossil fuels, and

WHEREAS the number of ships that are capable of receiving and using shore power is increasing, and

WHEREAS the Tacoma-Pierce County Clean Air Task Force identified emission from ships burning fossil fuels in onboard generators as a contributor to local air emissions, and

WHEREAS the City of Tacoma's Environmental Action Plan and Governor Jay Inslee's Executive Order 14-04 seek to reduce fossil fuel emissions, and

WHEREAS substantial costs to upgrade port side infrastructure and utility side distribution systems create a barrier to implementing shore power at the Port of Tacoma, and

WHEREAS grant funding resources, including the Washington State Department of Ecology's VW Mitigation Fund, Department of Commerce's Clean Energy Fund, US Environmental Protection Agency's Diesel Emissions Reduction



1 Act, or other funding sources yet to be identified that offer grant funding could be
2 used to provide electrical service to ships at dock in order to reduce fossil fuel
3 emissions, and
4

5 WHEREAS the three-part rate by which Tacoma Power recovers its costs
6 from customers located at the Port of Tacoma is a barrier to adoption of shore
7 power due to the "demand charge" in the calculation of the monthly amount
8 payable, and
9

10 WHEREAS the "demand charge" makes it uneconomic for shipping
11 companies to use shore power during times of infrequent use, and
12

13 WHEREAS the "demand charge" makes it difficult for terminal operators to
14 allocate energy charges incurred by ships that dock at their terminals, and
15

16 WHEREAS if the Department of Ecology as trustee of the VW Mitigation
17 Fund, Department of Commerce's Clean Energy Fund, US Environmental
18 Protection Agency's Diesel Emissions Reduction Act, or other funding sources yet
19 to be identified, may approve a grant for shore power related infrastructure, the
20 proposed rate design for shore power of removing the demand charge will be re-
21 estimated using up to date costs and estimates of power demand, and brought for
22 approval of the Public Utility Board at a future session; Now, Therefore,
23

24 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:
25

26 That the Board directs utility staff to pursue grant funding to facilitate
adoption of shore power at the Port of Tacoma and hereby expresses support of a
Shore Power Rate concept that would reconfigure the current three-part rate into a



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two-part rate by removing the demand charge and increasing the energy charge,
and allow terminal operators to reallocate costs to shipping lines based on their
energy usage.

Approved as to form and legality:

Chair



Chief Deputy City Attorney

Secretary

Clerk

Adopted _____

of February 27, 2019

REQUEST FOR RESOLUTION

Date: February 15, 2019

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Approval of a resolution directing staff to pursue grant funding for shore power and demonstrating Public Utility Board support for an indicative shore power rate.

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

Direct staff to pursue grant funding for shore power and demonstrate Public Utility Board support for an indicative shore power rate.

3. Summarized reason for resolution:

Washington State has a \$112 million to distribute from the Volkswagen Settlement Fund. These funds, a settlement from Volkswagen's diesel emissions cheating scandal, represent a generational opportunity to electrify port operations at the Port of Tacoma. Staff discussion with the Port of Tacoma on strategy to acquire funding to build infrastructure to electrify ships at port identified our Schedule G demand charge as a barrier to shore power adoption:

Confusion for terminal operators and shipping lines about cost of use
Difficult to fairly allocate energy costs to shipping lines
Uneconomic to use shore power during times of infrequent use

To overcome this barrier Tacoma Power is proposing an indicative shore power rate design (but not a rate) to eliminate the demand charge by increasing the energy charge and allowing shipping lines to allocate energy costs to terminal operators. The indicative shore power rate is designed to recover revenue equal to Schedule G.

Approval of the indicative rate design by the Public Utility Board would demonstrate Tacoma Power's commitment overcome this barrier and strengthen our grant proposal, improving our chance of being selected to receive grant funding. Implementation of shore power at the Port of Tacoma represents a significant revenue opportunity, as well as providing lower operating costs to shipping lines and reduced greenhouse gas and particulate emissions from ships at port.

The final shore power rate will follow the traditional rate making process and requires City Council approval.

4. Attachments:

- a. Memo to Jackie Flowers, Director of Utilities from Chris Robinson, Power Superintendent dated February 5, 2019

5. ☐ Funds available ☒ Proposed action has no budgetary impact


6. Deviations requiring special waivers:

Originated by:



Section Head

Requested by:

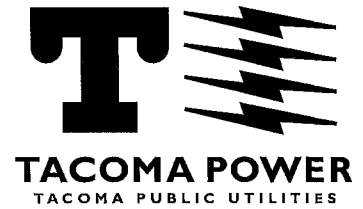


Division Head

Approved:



Director of Utilities



DATE: February 15, 2019

TO: Jackie Flowers, Director of Utilities

FROM: Chris Robinson, Power Superintendent

SUBJECT: Resolution supporting shore power at the Port of Tacoma

RECOMMENDATION

Tacoma Power requests approval of a resolution directing staff to pursue grant funding for shore power at the Port of Tacoma and demonstrating Public Utility Board support for an indicative shore power rate.

BACKGROUND

Washington State has a \$112 million to distribute from the Volkswagen Settlement Fund. These funds, a settlement from Volkswagen's' diesel emissions cheating scandal, represent a generational opportunity to electrify port operations at the Port of Tacoma. Staff discussion with the Port of Tacoma on strategy to acquire funding to build infrastructure to electrify ships at port identified our Schedule G demand charge as a barrier to shore power adoption:

- Confusion for terminal operators and shipping lines about cost of use
- Difficult to fairly allocate energy costs to shipping lines
- Uneconomic to use shore power during times of infrequent use

To overcome this barrier Tacoma Power is proposing an indicative shore power rate design (but not a rate) to eliminate the demand charge by increasing the energy charge and allowing shipping lines to allocate energy costs to terminal operators. The indicative shore power rate is designed to recover revenue equal to Schedule G.

SUMMARY

Approval of the indicative rate design by the Public Utility Board would demonstrate Tacoma Power's commitment overcome this barrier and strengthen our grant proposal, improving our chance of being selected to receive grant funding. Implementation of shore power at the Port of Tacoma represents a significant revenue opportunity, as well as providing lower operating costs to shipping lines and reduced greenhouse gas and particulate emissions from ships at port.

The final shore power rate will follow the traditional rate making process and requires City Council approval.

BUDGET AUTHORIZATION

There is no budget impact by adopting this resolution.

We request your approval to submit this matter to the Public Utility Board for their consideration.

APPROVED:



Jackie Flowers
Director of Utilities



RESOLUTION NO. U-11063

1
2 A RESOLUTION concerning surplus utility equipment; declaring utility
3 equipment surplus to the needs of Tacoma Power; conducting a public
4 hearing on the proposed sale of the surplus utility equipment; and
5 authorizing Tacoma Power to sell the surplus utility equipment to the
6 highest responsive bidder(s) at bid sale(s).

7 WHEREAS the City of Tacoma, Department of Public Utilities, Light
8 Division (d.b.a. "Tacoma Power"), originally acquired for public utility purposes,
9 the Polk Substation Transformer, listed on the Declaration of Surplus Property
10 ("DSP"), which is in the background materials on file with the Clerk of the Board,
11 and

12 WHEREAS Tacoma Power has determined that the equipment listed on
13 the Declaration of Surplus Property is no longer necessary for providing
14 continued public utility service due to age, reliability and damage, and is
15 deemed surplus to Tacoma Power's needs pursuant to the applicable
16 provisions in RCW 35.94.040 and TMC 1.06.272-278, and

17 WHEREAS the equipment has an estimated resale value of \$35,000,
18 and

19 WHEREAS a public hearing was conducted on February 27, 2019, as
20 required by RCW 35.94.040, and

21 WHEREAS Tacoma Power requests that the Utility Board, pursuant to
22 the applicable requirements of RCW 35.94.040 and TMC 1.06.272-278, declare
23 the Polk Substation Transformer to Tacoma Power's needs, and authorize
24 Tacoma Power to sell the Transformer at a bid sale(s) to the highest responsive
25 bidder(s); Now, Therefore,
26



1 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

2
3 Sec. 1. The equipment identified in the Declaration of Surplus Property
4 is no longer necessary for providing continued public utility service, and is
5 hereby declared surplus to Tacoma Power's needs.

6 Sec. 2. Tacoma Power is hereby authorized to sell the Polk Substation
7 Transformer at a bid sale(s) to the highest responsive bidder(s), and should the
8 Transformer not be acquired at sale(s), Tacoma Power is authorized to
9 otherwise dispose of the Transformer in Tacoma Power's best interests.

10 Sec. 3. If a bid is higher than \$200,000, then the highest bid over
11 \$200,000 will be brought by Tacoma Power to the Board for formal approval of
12 the sale.

13
14 Approved as to form and legality:

Chair

15
16 
Chief Deputy City Attorney

Secretary

17
18 Clerk

Adopted

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

Request for Board Meeting
of Feb. 27, 2019

REQUEST FOR RESOLUTION

Date Jan. 29, 2019

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Surplus of Utility Specific Equipment

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

The Public Utility Board is requested to:

Declare the attached list of our Polk Substation transformer surplus to the utility's needs.

Conduct a public hearing on the proposed sale of the equipment.

Authorize the utility to sell to the highest responsive bidders.

3. Summarized reason for resolution:

Tacoma Power has determined the existing substation equipment on the attached list is no longer needed or necessary for continued normal operations due to age, reliability, or damage. Washington State law requires the Public Utility Board to declare the equipment as surplus, conduct a public hearing to collect testimony on the sale of the equipment, and authorize the sale of the equipment.

4. Attachments:

- a. List of specific surplus equipment.
- b. Photo representation of equipment

5. ☒ Funds available ☐

N/A This action will result in a net income to the Utility

6. Deviations requiring special waivers: None

Originated by:


Joe Wilson

Transmission & Distribution Manager

Requested by:


Chris Robinson

Power Superintendent/COO

Approved:


Jackie Flowers

Director of Utilities/CEO



DATE: January 29, 2019
TO: Jackie Flowers, Director of Utilities/CEO
FROM: Chris Robinson, Power Superintendent/COO
SUBJECT: Request for Authorization to Sell Polk Substation Transformer

RECOMMENDATION: Tacoma Power recommends the equipment listed on the attached inventory be declared surplus to Tacoma Power needs. We further recommend a public hearing be held in front of the Public Utility Board to take testimony from any interested individuals on the sale of said surplus equipment in accordance with RCW 35.94.040. In addition, we recommend the Department of Public Utilities be authorized to solicit bids for the equipment and award the sale of the equipment based on the highest responsive bid received, so long as the total bid amount is less than \$200,000. Sale amounts higher than \$200,000 will be presented to the Public Utility Board for approval.

EXPLANATION: The equipment listed on the attached surplus declaration and inventory sheets are considered surplus to Tacoma Power's needs and are no longer required for providing continued public utility service. Our Polk substation transformer has been placed out of service due to age and reliability concerns from degradation of performance. This surplus item should be advertised and sold to the highest responsive bidder in accordance with applicable state and City of Tacoma laws and Finance Department surplus policies. The surplus equipment was originally acquired for public utility purposes and, per RCW 35.94.040, its disposal requires approval of a surplus declaration and a public hearing by the Public Utility Board prior to sale. Proceeds from the sale will be added to the Tacoma Power general fund.

COMPETITIVE SOLICITATION: The attached inventory documents and any necessary requirements will be sent to selected bidders and/or advertised according to Purchasing Division policies. Sale of the equipment will be awarded to the highest responsive bidder. Approval of the sale may be subject to Public Utility Board action if bids exceed \$200,000.

PROJECT ENGINEER/COORDINATOR: Sean Veley, Transmission and Distribution, 253-502-8713.

We request your approval to submit this matter to the Public Utility Board for their approval.

APPROVED:

Jackie Flower
Director of Utilities

Attachments

cc: Chuck Blankenship
Jessica Tonka



City of Tacoma

Declaration of Surplus Property (DSP)

To: Purchasing Division
From: T&D, C&M, Wire Shop
Contact Name: Sean Veley
Date: January 29.
Phone: 253-502-8713

- ☒ Declaration of Surplus Personal Property
☐ Declaration of Surplus Real Property
☒ Declaration of Unusable Personal Property¹

¹ Items that are broken, unusable, have no commercial, salvage, or donation value, and have no special disposal requirements (e.g., hazardous metals), may be disposed by the owning department. Do not submit DSP Form to Purchasing for these items.

Description of Surplus Property

Describe Item or Attach List: Polk Substation Transformers Fixed Asset # _____
 Address/Location of Items: 2317 97th St. E. Tacoma, WA 98445 Accounting (for costs/proceeds): _____
 Estimated Commercial or Resale Value: \$35,000 Cost Center: 561100
 Minimum Acceptable Bid: \$ N/A General Ledger Acct: 6421400

I hereby certify the asset(s) listed have no further public use or the sale thereof is in the best interests of the City and declare these items as surplus according to sections 1.06.272 through 1.06.278 of the Tacoma Municipal Code. Items may be sold, transferred, donated or otherwise disposed of in accordance with the City's surplus property policies and the Tacoma Municipal Code.

Department/Division Head Signature _____

Date 2/14/19

City Manager or Director of Utilities (if over \$200,000) _____

Date _____

DISPOSAL REQUEST

(to be completed by department)

Requested Disposal Method(s):

- ☐ Intra City Transfer
 Name of Department _____
☒ Bid Solicitation (Formal / Informal)
☐ Vehicle Auction (attach vehicle surplus form)
 Specify Contract _____
☐ Online Auction Service
 (attach online auction surplus form)
☐ Special Advertisement (attach advertisement)
 Specify Newspaper _____
☐ Supplemental Mailing List (attach)
☐ Website Posting
☐ Special Disposal Requirements (e.g., environmental, regulatory)
☐ Salvage Services
 Specify Contract _____
☐ Donation
☐ 2-Good-2 Toss
☐ Other: _____
☐ Okay for Disposal: _____

DISPOSAL ACTION

Internal Use Only – Purchasing Division

- ☐ Formal Bid No. _____
 Resolution/Ordinance No. _____
☐ Informal Bid No. _____
☐ Online Auction ☐ Website Posting
☐ Special Advertisement ☐ Supplemental Mailings
☐ Contract Services ☐ Intra-City Transfer
☐ Salvage Services ☐ Donation
☐ Okay for Disposal ☐ 2-Good-2 Toss
 Date Advertised/Posted: _____
 Sale Amount: \$ _____
 Sold To: Name _____
 Address _____
 Donated To: Name _____
 Address _____
☐ Hold Harmless Release Received
 Recipient is: ☐ Public Agency ☐ Non-Profit serving
☐ General Public ☐ Employee
 Accounting, if different from above: _____

APPROVED:

Procurement and Payables Manager _____ Date _____

TACOMA POWER SUBSTATION SURPLUS EQUIPMENT Polk Power Transformer

All transformers and equipment are available as is, where is. All equipment will be drained of insulating oil by Tacoma Power; however, residual oil will be present and should be anticipated by the bidder. The currently available equipment, located at Polk Substation, are listed separately in Enclosure A, and summarized below.

Item 1 is a single three phase 25 MVA, 115KV to 12.470KV step down power transformers that weighs approximately 71,000 pounds, without oil.

Insulating oil has been removed.

Enclosure A contains list of surplus equipment as well as photos, drawings, and descriptions of equipment.

All equipment may be examined prior to the bid deadline on a limited, escorted basis. Contact Sean Veley at (253) 502-8713 or Sean Forslund at (253) 502-8235 to arrange a visit or for any other questions regarding this offering.

On-site demolition will not be allowed, but it is anticipated that the equipment will need to be partially dismantled to allow for safe shipment, such as removal of High Voltage Bushings. Dismantling should only consist of that which is necessary to safely transport the equipment. Any further disassembly and demolition, such as for salvage/recycling separation, will take place off-site at bidder's location. Bidder is to provide and assume responsibilities and costs for ALL dismantling, demolition and transportation requirements, such as, but not limited to: tools, equipment, supplies, vehicles, permits and/or fees. All work must be completed within the allowed time frames. The bidder MUST indicate in their bid, their intent and method of equipment dismantle. Bidder must clearly identify the type of work to be performed and include plans and safety measures to perform the work and prevent any loss of oil or other contaminants to the substation soils. Any failure to supply the requested information may result in bid disqualification.

It is assumed that all equipment will be salvaged for repurpose or be scrapped for metals recovery/recycling.

The PCB content of all equipment, except for fluid filled bushings, is known to be less than or equal to one (1) part per million (ppm) and is listed with certifications in Enclosure B. The bidder must indicate on their proposal whether the equipment will be scrapped or if it is intended for salvage.

The transformer bushings have already been removed, but not yet drained. The bushings were found to contain less than 2 ppm PCB based on nameplate information. The winning bidder shall make arrangements with the Tacoma Power Transformer shop to pick up the bushings. The Transformer Shop

will require 24-hour's notice at (253) 502-8495 to ensure that personnel and equipment will be available. Bushings on equipment intended for salvage/repurpose will not be drained by Tacoma Power.

The Polk surplus transformer is located at the following location:

Polk Substation
2317 97th St. E.
Tacoma, WA 98445

Drawings showing the transformer dimensions and locations in the substation, and nameplate of the transformer are attached to this document as Enclosure A. Please contact Sean Veley at (253) 502-8713 or Sean Forslund at (253) 502-8235 if any additional information is needed.

All equipment must be removed from the substation according to the schedule described below.

Schedule:

The contractor will be provided two weeks' notice of the availability of the substation. On that day the transformers will be drained of oil and available for removal. The contractor will be allowed no more than **2 working days** to remove all listed equipment from the substation. If the availability of the substation is delayed, 2 full days will still be available for removal.

All work in the substations or on Tacoma Power property will be attended by a qualified Tacoma Power electrician as required by state electrical safety regulations. Tacoma Power will supply a qualified electrician between the hours of 8 am to 12 pm and 12:30 pm to 4:30 pm for the duration of the 2-day period, at no charge to the contractor. The contractor may arrange for additional hours at their own expense according to the cost schedule listed below. The contractor must provide at least 24-hour's notice of any schedule extension beyond the times listed above. All additional work, including normal lunch periods, extended work days, and weekends, will be the responsibility of the contractor at the following rates:

Cost for on-site supervision:

\$111.53 per hour for weekdays between 8 am to 12 pm and 12:30 pm to 4:30 pm, not including ½ hour for lunch between noon and 12:30 pm.

\$156.59 per hour for all additional overtime and lunch periods worked by the on-site supervising electrician.

If the contractor fails to complete equipment removal from the station by the end of the allowed time, they will not be allowed into the substation and all remaining electrical equipment will be forfeited in the interest of preparing the site for necessary construction. There will be no refunds for failure to meet this schedule.

Training:

Prior to entering the substations, all workers are required to receive mandatory substation safety training provided by Tacoma Power. This includes transient workers such as truck drivers. The training is provided at no cost during regular work hours and takes between 1 – 1 ½ hours. The contractor must notify Tacoma Power at least 48 hours in advance of any requested training.

Oil Spill Prevention:

Washington state environmental regulations require the reporting and cleanup of all oil spills, even very small spills. The contractor will not be allowed to spill any oil during removal of the transformer. This

includes oil from the transformer and equipment used during the removal process, including hydraulic systems. Oil contaminated materials will not be allowed to be placed on unprotected soils and the contractor must be prepared for all weather conditions. Work practices that are considered unsafe or likely to result in oil contamination will be stopped by the Tacoma Power supervisor until deficiencies are corrected. No additional removal time will be allowed for work stopped due to improper practices. All oil spilled will be remediated to state and Tacoma Power standards at the contractor's cost.

Work Plan:

The contractor must supply a brief work plan with their bid that includes general information about their process for removing the equipment including bushing pick up from the transformer shop, general process for dismantling the equipment, expected schedule (including weekend and overtime work) for Tacoma Power planning needs, and the general process for preventing oil spills.

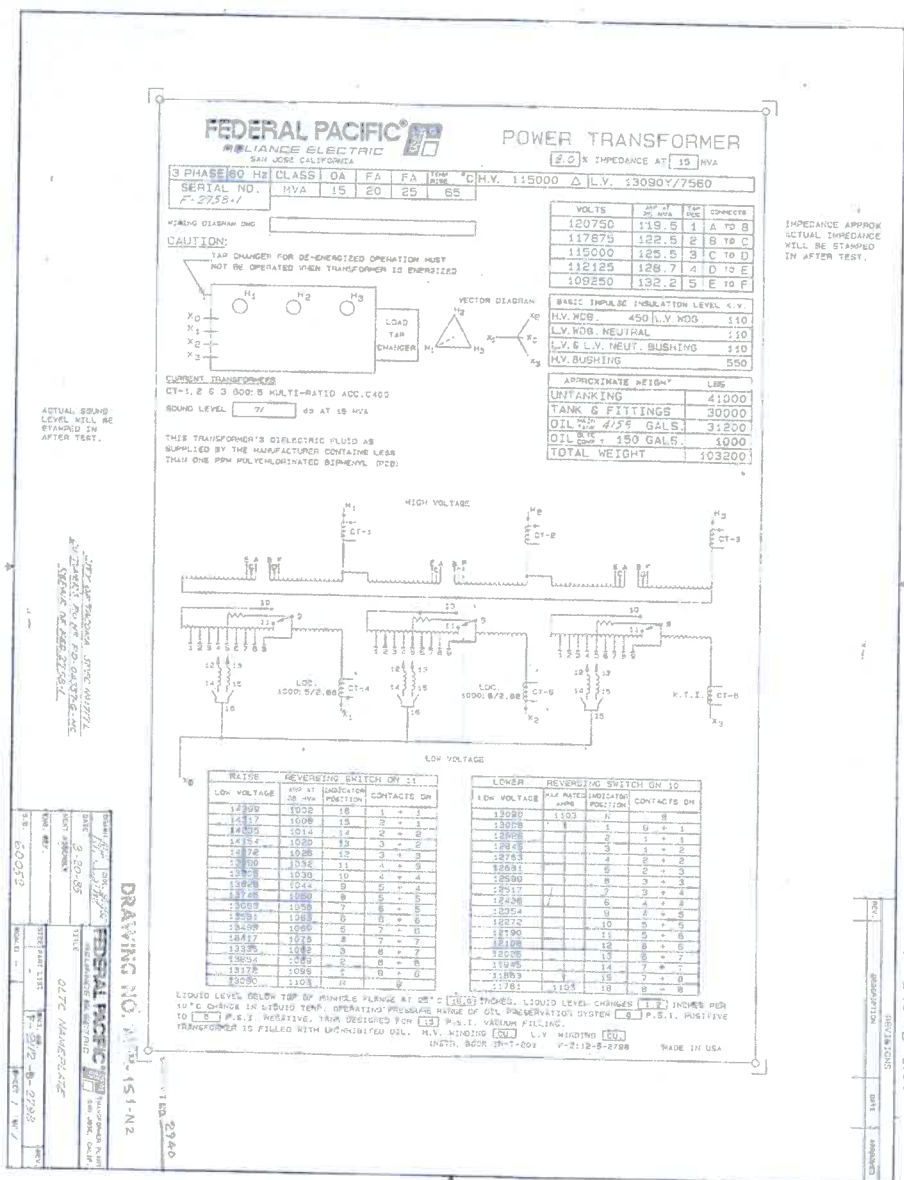
The bidder with the highest acceptable bid will be notified and must supply a detailed work plan within 10 days. The specific requirements for the work plan will be detailed by Tacoma Power when the notification is made. A detailed work plan may not be necessary depending on the plan submitted with the bid. Failure to supply an acceptable work plan within 10 days may be grounds to reject the bid.

Safety:

The contractor must abide by all safety regulations while working on Tacoma Power property. Special attention includes, but is not limited to, fall protection, confined space entry, and lead exposure for work on the equipment. All high voltage power lines located near the equipment will be de-energized and there should be enough clearance to place a crane to lift the equipment for loading/size reduction purposes. The contractor must maintain proper clearance, as directed by the on-site safety watch, from all energized lines.

Every Tacoma Power employee is acutely aware of safe operating practices and is authorized to stop any work they consider to be unsafe. The contractor will abide by any direction to stop work for safety reasons upon notice by any Tacoma Power employee. The contractor will immediately correct any condition or practice determined to be unsafe. No time extension will be allowed for work stoppage due to unsafe work practices

Enclosure A:









Enclosure B:

SOUND ANALYTICAL SERVICES, INC.

SPECIALIZING IN INDUSTRIAL & TOXIC WASTE ANALYSIS

4813 PACIFIC HIGHWAY EAST, TACOMA, WASHINGTON 98424 • TELEPHONE (206)922-2310 • FAX (206)922-5047

Report To: City of Tacoma
Light Division

Date: September 30, 1992

Report On: PCB in Oil

Lab No.: 26811-6

IDENTIFICATION:

Samples Received on 09-30-92

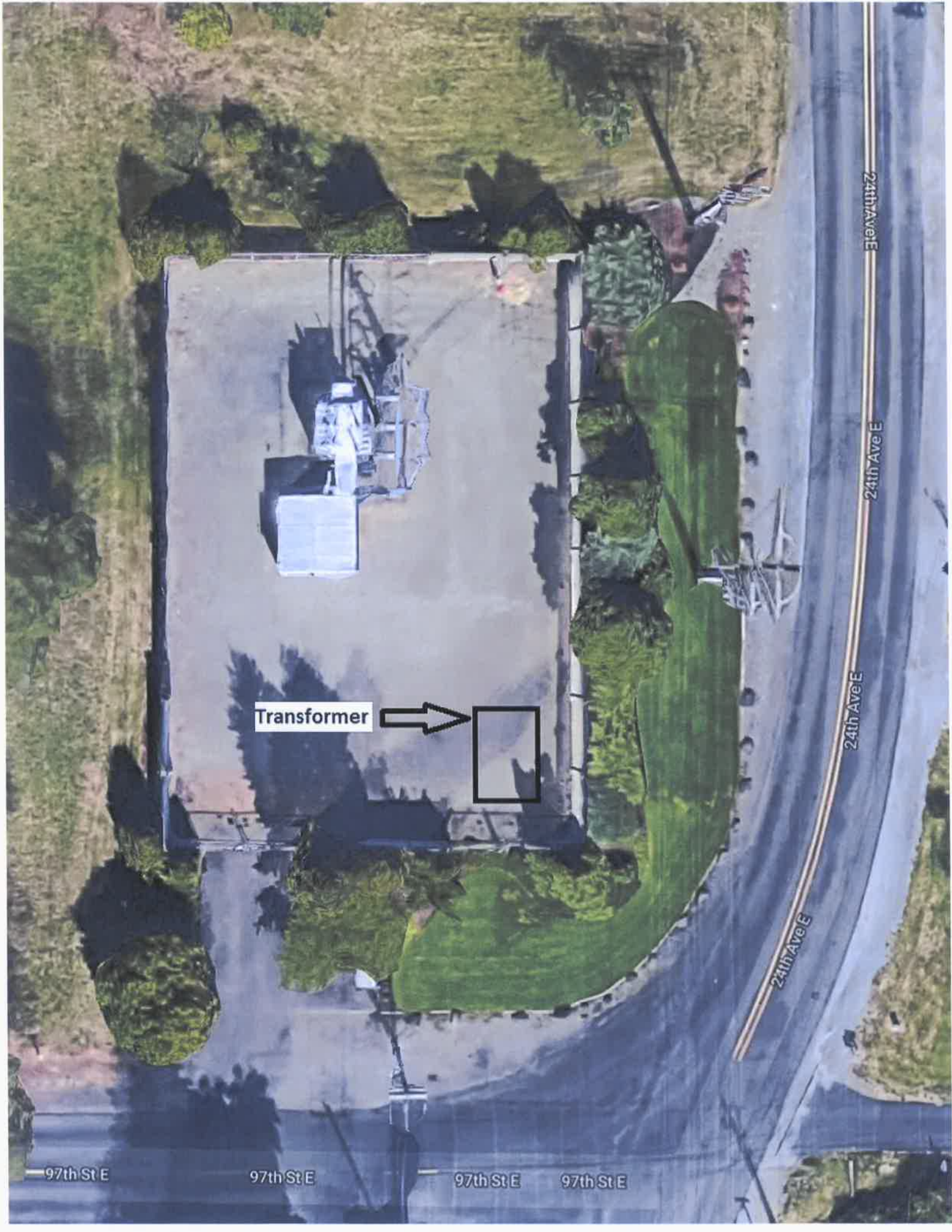
P.O. No. PD-52652-L-BD

Authorization No. 92-29-09-271

Location: Polk Sub

ANALYSIS:

<u>Laboratory</u> <u>Sample No.</u>	<u>Client</u> <u>Identification</u>	<u>PCB Type</u>	<u>PCB (mg/kg)</u>
RUSH 12	27742 ← old CN/legacy # F2758-1- SN New SAP #: 1100006	---	< 1
RUSH 13	27742T F2758-1-T LTC SAP# 1593418	---	< 1



24th Ave E

24th Ave E

24th Ave E

24th Ave E

97th St E

97th St E

97th St E

97th St E

Transformer



RESOLUTION NO. U-11064

A RESOLUTION concerning surplus utility equipment; declaring utility equipment surplus to the needs of Tacoma Power; conducting a public hearing on the proposed sale of the surplus utility equipment; and authorizing Tacoma Power to sell the surplus utility equipment to the highest responsive bidder(s) at bid sale(s).

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division (d.b.a. "Tacoma Power"), originally acquired for public utility purposes, the University Place Substation Transformer, listed on the Declaration of Surplus Property, which is in the background materials on file with the Clerk of the Board, and

WHEREAS Tacoma Power has determined that the equipment listed on the Declaration of Surplus Property is no longer necessary for providing continued public utility service due to age, reliability and damage, and is deemed surplus to Tacoma Power's needs pursuant to the applicable provisions in RCW 35.94.040 and TMC 1.06.272-278, and

WHEREAS the equipment has an estimated resale value of \$50,000, and

WHEREAS a public hearing was conducted on February 27, 2019, as required by RCW 35.94.040, and

WHEREAS Tacoma Power requests that the Utility Board, pursuant to the applicable requirements of RCW 35.94.040 and TMC 1.06.272-278, declare the University Place Substation Transformer surplus to Tacoma Power's needs, and authorize Tacoma Power to sell the Transformer at a bid sale(s) to the highest responsive bidder(s); Now, Therefore,



BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

Sec. 1. The equipment identified in the Declaration of Surplus Property is no longer necessary for providing continued public utility service, and is hereby declared surplus to Tacoma Power's needs.

Sec. 2. Tacoma Power is hereby authorized to sell the University Place Substation Transformer at a bid sale(s) to the highest responsive bidder(s), and should the Transformer not be acquired at sale(s), Tacoma Power is authorized to otherwise dispose of the Transformer in Tacoma Power's best interests.

Sec. 3. If a bid is higher than \$200,000, then the highest bid over \$200,000 will be brought by Tacoma Power to the Board for formal approval of the sale.

Approved as to form and legality:

Chair


Chief Deputy City Attorney

Secretary

Clerk

Adopted

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

Request for Board Meeting
of Feb. 27, 2019

REQUEST FOR RESOLUTION

Date Jan. 29, 2019

INSTRUCTIONS: File request in the Office of the Director of Utilities as soon as possible but not later than nine working days prior to the Board meeting at which it is to be introduced. Completion instructions are contained in Administrative Policy POL-104.

1. Summary title for Utility Board agenda: (not to exceed twenty-five words)

Surplus of Utility Specific Equipment

2. A resolution is requested to: (brief description of action to be taken, by whom, where, cost, etc.)

The Public Utility Board is requested to:

Declare the attached list of substation equipment including one station transformers surplus to the utility's needs.

Conduct a public hearing on the proposed sale of the equipment.

Authorize the utility to sell to the highest responsive bidders.

3. Summarized reason for resolution:

Tacoma Power has determined the existing substation equipment on the attached list is no longer needed or necessary for continued normal operations due to age, reliability, or damage. Washington State law requires the Public Utility Board to declare the equipment as surplus, conduct a public hearing to collect testimony on the sale of the equipment, and authorize the sale of the equipment.

4. Attachments:

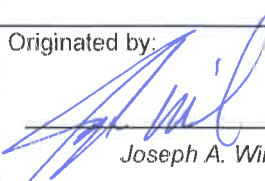
- a. List of specific surplus equipment.
- b. Photo representation of equipment

5. ☒ Funds available ☐

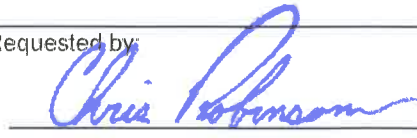
N/A This action will result in a net income to the Utility

6. Deviations requiring special waivers: None

Originated by:


Joseph A. Wilson, P.E.
Transmission & Distribution Manager

Requested by:


Chris Robinson
Power Superintendent/COO

Approved:


Jackie Flowers
Director of Utilities/CEO



DATE: January 29, 2019
TO: Jackie Flowers, Director of Utilities/CEO
FROM: Chris Robinson, Power Superintendent/COO
SUBJECT: Request for Authorization to Sell University Substation Transformer

RECOMMENDATION: Tacoma Power recommends the equipment listed on the attached inventory be declared surplus to Tacoma Power needs. We further recommend a public hearing be held in front of the Public Utility Board to take testimony from any interested individuals on the sale of said surplus equipment in accordance with RCW 35.94.040. In addition, we recommend the Department of Public Utilities be authorized to solicit bids for the equipment and award the sale of the equipment based on the highest responsive bid received, so long as the total bid amount is less than \$200,000. Sale amounts higher than \$200,000 will be presented to the Public Utility Board for approval.

EXPLANATION: The equipment listed on the attached surplus declaration and inventory sheets are considered surplus to Tacoma Power's needs and are no longer required for providing continued public utility service. The University Substation transformer will be placed out of service due to age and reliability concerns from degradation of performance. This surplus item should be advertised and sold to the highest responsive bidder in accordance with applicable state and City of Tacoma laws and Finance Department surplus policies. The surplus equipment was originally acquired for public utility purposes and, per RCW 35.94.040, its disposal requires approval of a surplus declaration and a public hearing by the Public Utility Board prior to sale. Proceeds from the sale will be added to the Tacoma Power general fund.

COMPETITIVE SOLICITATION: The attached inventory documents and any necessary requirements will be sent to selected bidders and/or advertised according to Purchasing Division policies. Sale of the equipment will be awarded to the highest responsive bidder. Approval of the sale may be subject to Public Utility Board action if bids exceed \$200,000.

PROJECT ENGINEER/COORDINATOR: Sean Veley, Transmission and Distribution, 253-502-8713.

We request your approval to submit this matter to the Public Utility Board for their approval.

APPROVED:

Jackie Flowers
Director of Utilities

Attachments

cc: Chuck Blankenship
Jessica Tonka



City of Tacoma

Declaration of Surplus Property (DSP)

To: Purchasing Division
From: T&D, C&M, Wire Shop
Contact Name: Sean Veley

Date: January 29,
Phone: 253-502-8713

- ☒ Declaration of Surplus Personal Property
☐ Declaration of Surplus Real Property
☒ Declaration of Unusable Personal Property¹

¹ Items that are broken, unusable, have no commercial, salvage, or donation value, and have no special disposal requirements (e.g., hazardous metals), may be disposed by the owning department. Do not submit DSP Form to Purchasing for these items.

Description of Surplus Property

Describe Item or Attach List: Substation Transformer
Address/Location of Items: 7423 21st W, Tacoma, WA 98409
Estimated Commercial or Resale Value: \$50,000
Minimum Acceptable Bid: \$ N/A

Fixed Asset # _____
Accounting (for costs/proceeds): _____
Cost Center: 561100
General Ledger Acct: 6421400

I hereby certify the asset(s) listed have no further public use or the sale thereof is in the best interests of the City and declare these items as surplus according to sections 1.06.272 through 1.06.278 of the Tacoma Municipal Code. Items may be sold, transferred, donated or otherwise disposed of in accordance with the City's surplus property policies and the Tacoma Municipal Code.

Department/Division Head Signature

Date

City Manager or Director of Utilities (if over \$200,000)

Date

DISPOSAL REQUEST

(to be completed by department)

Requested Disposal Method(s):

- ☐ Intra City Transfer
Name of Department _____
- ☒ Bid Solicitation (Formal / Informal)
- ☐ Vehicle Auction (attach vehicle surplus form)
Specify Contract _____
- ☐ Online Auction Service
(attach online auction surplus form)
- ☐ Special Advertisement (attach advertisement)
Specify Newspaper _____
- ☐ Supplemental Mailing List (attach)
- ☐ Website Posting
- ☐ Special Disposal Requirements (e.g., environmental, regulatory)
- ☐ Salvage Services
Specify Contract _____
- ☐ Donation
- ☐ 2-Good-2 Toss
- ☐ Other: _____
- ☐ Okay for Disposal: _____

DISPOSAL ACTION

Internal Use Only – Purchasing Division

- ☐ Formal Bid No. _____
Resolution/Ordinance No. _____
- ☐ Informal Bid No. _____
- ☐ Online Auction ☐ Website Posting
- ☐ Special Advertisement ☐ Supplemental Mailings
- ☐ Contract Services ☐ Intra-City Transfer
- ☐ Salvage Services ☐ Donation
- ☐ Okay for Disposal ☐ 2-Good-2 Toss
- Date Advertised/Posted: _____
- Sale Amount: \$ _____
- Sold To: Name _____
Address _____
- Donated To: Name _____
Address _____
- ☐ Hold Harmless Release Received
- Recipient is: ☐ Public Agency ☐ Non-Profit serving
☐ General Public ☐ Employee
- Accounting, if different from above: _____

APPROVED:

Procurement and Payables Manager

Date

TACOMA POWER

SUBSTATION SURPLUS EQUIPMENT

University Substation Transformer

The transformer and equipment are available as is, where is. All equipment will be drained of insulating oil by Tacoma Power; however, residual oil will be present and should be anticipated by the bidder. The currently available equipment, all of which are located at Tacoma Power's University Substation, are listed in Enclosure A, and summarized below.

Item 1: 1970 25 MVA, 115KV to 12.5KV step down Federal Pacific Electric power transformer weighing approximately 69,000 LBS.

Insulating oil will be removed from all equipment just prior to the availability date.

Enclosure A contains list of surplus equipment as well as photos, drawings, and descriptions of equipment. All equipment may be examined prior to the bid deadline on a limited, escorted basis—due to being currently energized and in-service. Contact Sean Forslund at (253) 502-8235 or Sean Veley at (253) 502-8713 to arrange a visit or for any other questions regarding this offering.

On-site demolition will not be allowed, but it is anticipated that the equipment will need to be partially dismantled to allow for safe shipment, such as, but not limited to, the removal of High Voltage Bushings. Dismantling should only consist of that which is necessary to safely transport the equipment. Any further disassembly and demolition, such as for salvage/recycling separation, will take place off-site at bidder's location. Bidder is to provide and assume responsibilities and costs for ALL dismantling, demolition and transportation requirements, such as, but not limited to: tools, equipment, supplies, vehicles, permits and/or fees.

All work must be completed within the allowed time frames. The bidder shall indicate in their bid, their intent and method of equipment dismantle. Bidder must clearly identify the type of work to be performed and include plans and safety measures to perform the work and prevent any loss of oil or other contaminants to the substation soils. Any failure to supply the requested information may result in bid disqualification.

The successful bidder shall abide by all local, state and federal laws and regulations pertaining to the use, transport, handling, reclamation, and disposal of hazardous or toxic substances.

It is assumed that all equipment will be salvaged for repurpose or be scrapped for metals recovery/recycling.

The PCB content of all equipment, except for fluid filled bushings, is known to be less than or equal to one (1) part per million (ppm) and is listed with certifications in Enclosure B. The bidder must indicate on their proposal whether the equipment will be scrapped or if it is intended for salvage. The successful bidder will remove all oil-filled bushings from all equipment that is scheduled to be scrapped and transport the bushings in leak proof containers to the Tacoma Power Transformer Shop located at 3628 So. 35th St., Tacoma, WA 98409.

The Transformer Shop will require 24-hour's notice at (253) 502-8495 to ensure that personnel and equipment will be available. The bushings will be off-loaded by Tacoma Power, tested for PCB level, and drained of all fluids. Bushings with PCB levels greater than 45 ppm will be retained by Tacoma Power for proper PCB disposal. Bushings containing 45 ppm PCB or less will be picked up by the bidder following draining, within two weeks of notification of availability. Bushings on equipment intended for salvage/repurpose will not be tested or drained by Tacoma Power.

The surplus equipment is located at the following location:

University Substation
7423 21st St. SW
Tacoma, WA 98409

Drawings showing the transformer dimensions and locations in the substation, and nameplate of the transformer are attached to this document as Enclosure A. Please contact Sean Forslund at (253) 502-8235 or Sean Veley at (253) 502-8713 if any additional information is needed.

All equipment must be removed from the substation according to the schedule described below.

Schedule:

The portion of the substation containing the transformer bank will be de-energized. It is anticipated that the surplus equipment will be made electrically safe for removal and available for bidder entry on or about: **June 10th 2018**. The timing for removal of the transformers is critical to allow for site demolition and construction work and replacement of the substation equipment according to Tacoma Power's schedule. It is in the interest of Tacoma Power that swift removal of surplus equipment takes place, therefore cooperation, assistance and communication between both parties shall be a priority.

While the anticipated substation availability schedule is listed above, the schedule may shift depending on Tacoma Power's needs. The contractor will be provided two weeks' notice of the availability of the substation. On that day, the transformer will be drained of oil and available for removal. The contractor will be allowed no more than **2 working days** to remove all listed equipment from the substation. If the availability of the substation is delayed, 2 full days will still be available for removal.

All work in the substations or on Tacoma Power property will be attended by a qualified Tacoma Power electrician as required by state electrical safety regulations. Tacoma Power will supply a qualified electrician between the hours of 8 am to 12 pm and 12:30 pm to 4:30 pm for the duration of the 2-day period, at no charge to the contractor. The contractor may arrange for additional hours at their own

expense according to the cost schedule listed below. The contractor must provide at least 24-hour's notice of any schedule extension beyond the times listed above.

All additional work, including normal lunch periods, extended work days, and weekends, will be the responsibility of the contractor at the following rates:

Cost for on-site supervision:

\$111.53 per hour for weekdays between 8 am to 12 pm and 12:30 pm to 4:30 pm, not including ½ hour for lunch between noon and 12:30 pm.

\$156.96 per hour for all overtime and lunch periods worked by the on-site supervising electrician.

If the contractor fails to complete equipment removal from the station by the end of the allowed time, they will not be allowed into the substation and all remaining electrical equipment will be forfeited in the interest of preparing the site for necessary construction. There will be no refunds for failure to meet this schedule.

Training:

Prior to entering the substations, all workers are required to receive mandatory substation safety training provided by Tacoma Power. This includes transient workers such as truck drivers. The training is provided at no cost during regular work hours and takes between 1 – 1 ½ hours. The contractor must notify Tacoma Power at least 48 hours in advance of any requested training.

Oil Spill Prevention:

Washington state environmental regulations require the reporting and cleanup of all oil spills, even very small spills. The contractor will not be allowed to spill any oil during removal of the transformer. This includes oil from the transformer and equipment used during the removal process, including hydraulic systems. Oil contaminated materials will not be allowed to be placed on unprotected soils and the contractor must be prepared for all weather conditions. Work practices that are considered unsafe or likely to result in oil contamination will be stopped by the Tacoma Power supervisor until deficiencies are corrected. No additional removal time will be allowed for work stopped due to improper practices. All oil spilled will be remediated to state and Tacoma Power standards at the contractor's cost.

Work Plan:

The contractor must supply a brief work plan with their bid that includes general information about their process for removing the equipment including bushing removal/delivery to the transformer shop, general process for dismantling the equipment, expected schedule (including weekend and overtime work) for Tacoma Power planning needs, and the general process for preventing oil spills.

The bidder with the highest acceptable bid will be notified and must supply a detailed work plan within 10 days. The specific requirements for the work plan will be detailed by Tacoma Power when the notification is made. A detailed work plan may not be necessary depending on the plan submitted with the bid. Failure to supply an acceptable work plan within 10 days may be grounds to reject the bid.

Safety:

The contractor must abide by all safety regulations while working on Tacoma Power property. Special attention includes, but is not limited to, fall protection, confined space entry, and lead exposure for work on the equipment. All high voltage power lines located near the equipment will be de-energized and there should be enough clearance to place a crane to lift the equipment for loading/size reduction purposes. The contractor must maintain proper clearance, as directed by the on-site safety watch, from all energized lines.

Every Tacoma Power employee is acutely aware of safe operating practices and is authorized to stop any work they consider to be unsafe. The contractor will abide by any direction to stop work for safety reasons upon notice by any Tacoma Power employee. The contractor will immediately correct any condition or practice determined to be unsafe. No time extension will be allowed for work stoppage due to unsafe work practices.

ENCLOSURE A: List of Surplus Equipment with Photos, Drawings, Descriptions

ENCLOSURE B: Oil Testing Certificates

ENCLOSURE A: List of Surplus Equipment with Photos, Drawings, Descriptions





FEDERAL PACIFIC ELECTRIC COMPANY MILPITAS, CALIFORNIA

ON-LOAD-TAP CHANGING TRANSFORMER

THREE PHASE	CLASS /OA /FA /FA	60 HZ	CONTINUOUS FULL LOAD	65°C RISE	IMP. 7.8%
S.N. 2686-1	KVA 15,000 /20,000 /25,000		H.V. 115,000 Δ		L.V. 13,098Y/7,558

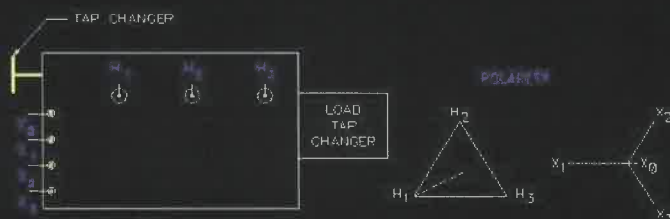
CAUTION:

TAP CHANGER FOR DE-ENERGIZED OPERATION
MUST NOT BE OPERATED WHEN TRANSFORMER
IS ENERGIZED.

WIRING DIAGRAM DWG. **PT323-D-0462**

PT329-D-0467

SOUND LEVEL 83 DB MAX. AT 15 MVA



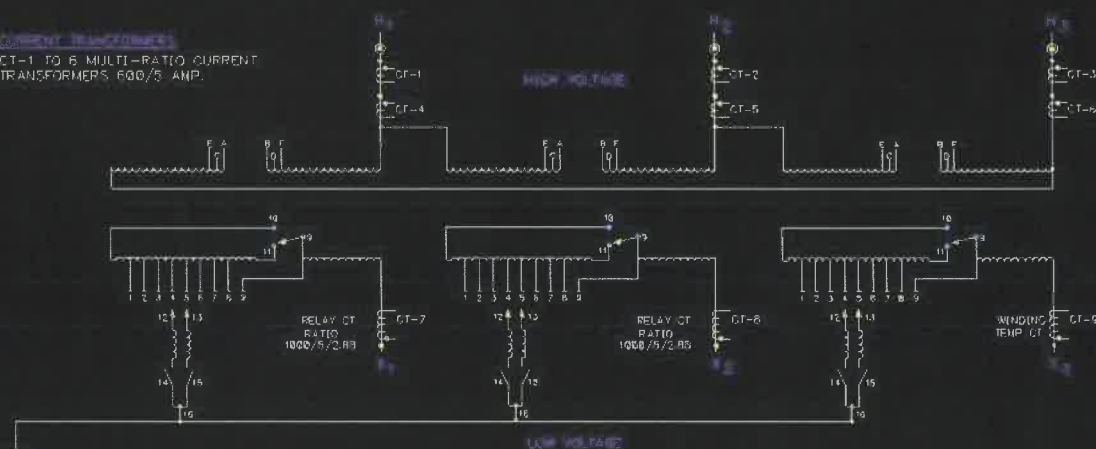
HIGH VOLTAGE CONNECTIONS			
VOLTS	AMP. AT 25,000 KVA	TAP POS.	CONNECTS.
115,000	125.5	1	A TO B
112,125	128.7	2	B TO C
109,250	132.1	3	C TO D
106,375	135.7	4	D TO E
103,500	139.3	5	E TO F

RATIO IMPULSE INSULATION LEVEL	
H.V. WDG.	450 KV
L.V. WDG.	110 KV
L.V. WDG. NEUTRAL	110 KV
L.V. & L.V. NEUTRAL BUSHING	110 KV
H.V. BUSHING	550 KV

APPROXIMATE WEIGHT IN LBS.	
UNTANKING	37,800
TANK & FITTINGS	31,998
OIL (MAIN TANK)	4226 GALS 31,790
OIL (OLTC)	170 GALS 1280
TOTAL WEIGHT	102,778
TOTAL WEIGHT WITHOUT OIL	69,798

CURRENT TRANSFORMERS

CT-1 TO 6 MULTI-RATIO CURRENT
TRANSFORMERS 600/5 AMP.



RATIO REVERSING SWITCH ON 11			
LOW VOLTAGE	AMPERES AT 25,000 KVA	IND. POS.	CONTACTS ON
14399	1002	+16	1 + 1
14317	1008	+15	2 + 1
14235	1014	+14	2 + 2
14154	1020	+13	3 + 2
14072	1026	+12	3 + 3
13990	1032	+11	4 + 3
13908	1038	+10	4 + 4
13826	1044	+9	5 + 4
13745	1050	+8	5 + 5
13663	1056	+7	6 + 5
13581	1063	+6	6 + 6
13499	1069	+5	7 + 6
13417	1076	+4	7 + 7
13335	1082	+3	8 + 7
13254	1089	+2	8 + 8
13172	1096	+1	9 + 8
13090	1103	N	9

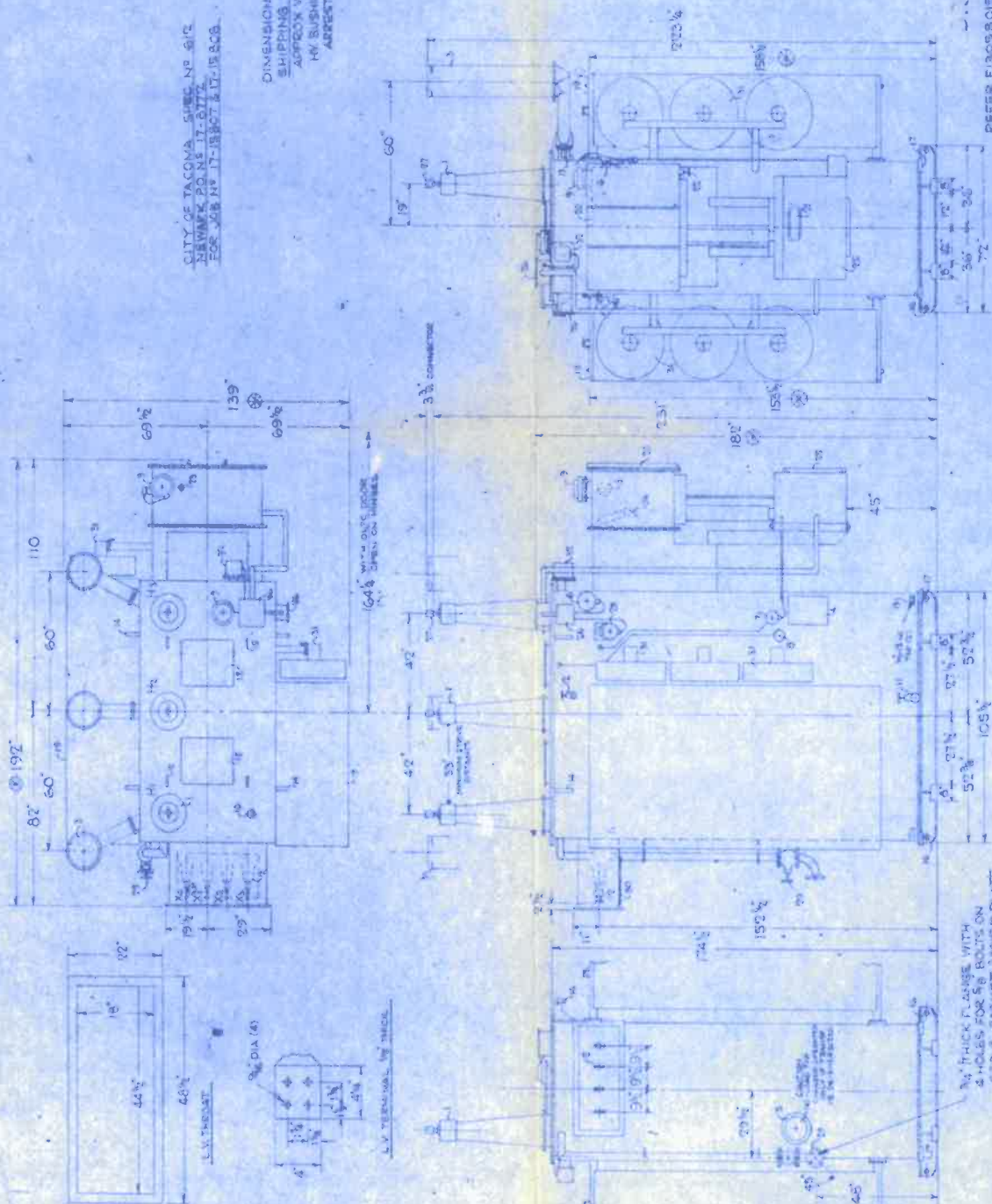
RATIO REVERSING SWITCH ON 10			
LOW VOLTAGE	AMPERES AT 25,000 KVA	IND. POS.	CONTACTS ON
13290	1103	N	9
13208		-1	9 + 1
12926		-2	1 + 1
12845		-3	1 + 2
12763		-4	2 + 2
12681		-5	2 + 3
12599		-6	3 + 3
12517		-7	3 + 4
12436		-8	4 + 4
12354		-9	4 + 5
12272		-10	5 + 5
12190		-11	5 + 6
12108		-12	6 + 6
12026		-13	6 + 7
11945		-14	7 + 7
11863		-15	7 + 8
11781		-16	8 + 8

LIQUID LEVEL BELOW TOP OF MANHOLE FLANGE AT 25°C **16.5** INCHES
LIQUID LEVEL CHANGES **1.25** INCHES PER 10°C CHANGE IN LIQUID TEMPERATURE
OPERATING PRESSURE RANGE OF OIL PRESERVATION SYSTEM **8** P.S.I. POSITIVE
TO **8** P.S.I. NEGATIVE. TANK DESIGNED FOR **15** P.S.I. VACUUM FILLING.
TRANSFORMER IS FILLED WITH UNINHIBITED OIL.

INSTR. BOOK (N-1-281)
F-2112-B-1840

CITY OF TACOMA SPEC. NO. 912
NEWARK PD NO. 17-6172
FOR JOB NO. 17-15867 & 17-15868

DIMENSIONS SHOWN ⁽¹⁾ ARE FOR SHIPPING.
SHIPPING WEIGHT OF HEAVIEST PACE 6500 LBS.
APPROX. WITH THE FOLLOWING REMOVED - OIL,
HYDRAULICS, PUMPS, & PART OF A GREATER BLOCKY'S &
ARRESTERS.



147
DRAWING NO. MED.

2025 RELEASE UNDER E.O. 14176

NO 2656	DATE	10/1/54	QTY	1	UNIT	TRANSFORMER OUTLINE	TYPE	TYPE O-1C	UNLIMITED	FILED	APR 2 1954	NEWARK	FEDERAL PACIFIC ELECTRIC COMPANY
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F. 1305 .0. 0159

70B 17-8772 ITEM # 1A

Enclosure B: Oil Testing Certificate



2221 Ross Way • Tacoma, WA 98421 • (253) 272-4850 • Fax (253) 572-9838 • www.spectra-lab.com

08/30/2012

Tacoma Public Utilities
PO Box 11007
Tacoma, WA 98411
Attn: Joe Wilson

Sample Matrix: Oil
Date Received: 08/30/2012
Purchase Order #PD-29028-LTD
Rush

PCB per EPA 8082

Lab#	Transformer#/SN/Map Location	PCB Type	Result	Units
Authorization #Auth #12-29-08-/068				
2012080604 1	1100004 FED-2686-1 University		<1.0	mg/Kg
2012080604 2	1593382 WT2223 University Sub.		<1.0	mg/Kg

SPECTRA LABORATORIES


Steve Hibbs, Laboratory Manager
a10/mlh

DATE 08, 29, 12

2012080604

AUTHORIZATION: 12-29-08/068

SPECIAL INSTRUCTIONS:

SAMPLE RECEIVED BY

DATE 8, 30, 12

[illegible]

RUSH

SIGNED

Roger S. Kaga

February 27, 2019

MOTION

I hereby move that the following motion be approved:

19-02. That upon concurrence by the City Council, the Director of Utilities is hereby authorized to settle the property damage claim of Jeffrey Slotnick, for the total amount of \$30,289.90.