



RESOLUTION NO. U-11010

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

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

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

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



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WHEREAS the Director requests authorization, pursuant to TMC 1.06.269 A, to amend contract amounts up to \$200,000 and to approve term extensions and renewals for all items contained in Exhibit "A;" 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 concurs and approves the recommendations of the Board of Contracts and Awards and/or the requesting division, and approves, as appropriate: (1) the purchase and/or furnishing of those materials, supplies, equipment or services recommended for acceptance; (2) the sale of surplus materials, supplies or equipment recommended for acceptance; (3) the Interlocal agreement that authorizes purchase off another governmental entity's contract; (4) the increase and/or extension of an existing agreement, and said matters may include waiver of the formal competitive bid process and/or waiver of minor deviations, all as set forth on Exhibit "A," and authorizes the execution, delivery and implementation of appropriate notices, contracts and documents by the proper officers of the City for said transactions, and (5) the administrative authority of the Director, per TMC 1.06.269 A., to amend contract amounts up to \$200,000 and to approve term extensions and contract renewals for all items in Exhibit "A."

Approved as to form and legality:



Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____



EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #1

MEETING DATE: JUNE 13, 2018

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, Don Gesch, Transmission & Distribution Assistant Manager and Doreen Klaaskate, Finance/Purchasing

SUBJECT: Purchase of Automatic Vehicle Location System (AVL), National Joint Powers Alliance (NJPA) Contract 022217-GPI – June 13, 2018

DATE: May 30, 2018

RECOMMENDATION SUMMARY:

Tacoma Public Utilities (TPU) Fleet Services recommends a contract be awarded to **GPS Insight, LLC, Scottsdale, AZ**, for the purchase of a new automatic vehicle location system (AVL). The contract amount reflects a total award of \$1,020,000.00, plus applicable sales tax.

BACKGROUND:

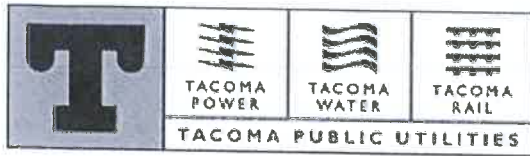
This contract will provide for the purchase of new AVL devices and accessories and access to a web based fleet tracking system. The new contract will replace an existing contract that expires July 28, 2018 with no remaining renewal options.

The new devices will be installed on TPU vehicles and equipment and includes a wireless driver panic key remote accessory for added operator security. The AVL system provides opportunities for efficiency improvements using real-time vehicle location data for route optimization including enhanced response time for service requests, idle reduction, turn-by-turn in cab navigation and improved vehicle operator safety.

The new system includes additional data such as vehicle maintenance or repair needs with diagnostic codes as well as reporting information that can be used as benchmarking tools in meeting Fleet goals such as improved maintenance strategies or reducing emissions of greenhouse gases from transportation and petroleum fuel use as outlined in the City's Environmental Action Plan.

The AVL system can be integrated with other TPU utility work management systems such as the Distribution Outage Management System (current AVL system is already) and the Mobile Dispatch System.

The new system will be implemented in stages as necessary to meet business needs. The contract amount is based on the Utility's anticipated purchases for 647 vehicles as needed for the term of the NJPA contract.



COMPETITIVE SOLICITATION:

This contract was awarded to GPS Insight, LLC, as a result of Request for Proposals 022217-GPI conducted by the National Joint Powers Alliance (NJPA) in February 2017. The contract term is June 1, 2017 through June 1, 2021 and allows for an additional one-year renewal period at NJPA's discretion.

National Joint Powers Alliance (NJPA) is municipal contracting government agency that services thousands of government agencies nationally. NJPA offers a multitude of cooperatively contracted products, equipment and service opportunities, which are awarded through a competitive bidding process.

Through NJPA Membership Number 97380, Tacoma Public Utilities may purchase from various contracts that offer a significant discount.

COMPETITIVE ANALYSIS:

Over the past year, Fleet Services worked with three other vendors available on cooperative purchasing contracts however, discovered that their systems failed to meet our satellite reporting requirement for areas without cellular service such as Tacoma Water's Headworks site. A GPS Insight device has been tested at Headworks and meets this requirement.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

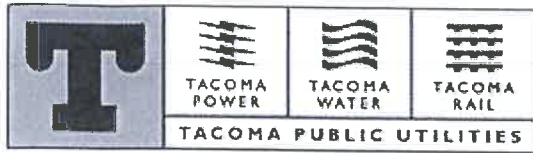
Funds for this are available in the 2017-2018 budget of the Department of Public Utilities for the Power, Water and Rail Divisions and the Fleet Services Fund. Future biennia funds will be budgeted as required. The costs of the hardware and fees are passed on to internal customers through Fleet work order billing processed in SAP to the assigned equipment.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5050 – TPU Fleet Services			\$1,020,000.00
TOTAL			\$1,020,000.00

REVENUES:

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



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$360,000.00 (initial hardware, installation and monthly costs planned for 2018 only)

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

A handwritten signature in black ink, appearing to read 'Chris Robinson', written in a cursive style.

Chris Robinson, Power Superintendent/COO

A handwritten signature in black ink, appearing to read 'Scott Dewhirst', written in a cursive style.

Scott Dewhirst
Water Superintendent

A handwritten signature in black ink, appearing to read 'Dale W. King', written in a cursive style.

Dale King
Rail Superintendent

APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea', written in a cursive style.

Linda McCrea, Interim Director of Utilities/CEO

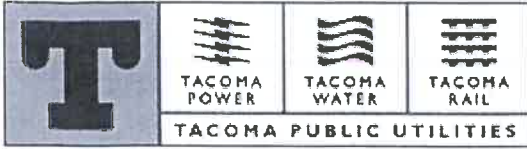


EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #2

MEETING DATE: JUNE 13, 2018

TO: Board of Contracts and Awards

FROM: Chris Robinson, Tacoma Power Superintendent/COO
Kimberlie Kerner, Contract Program Manager, Tacoma Power/Transmission and Distribution

COPY: Public Utility Board, Director of Utilities, Board Clerk, and Alex Clark, Finance/Purchasing

SUBJECT: 15kV Single Phase Pad Mounted Transformers
Request for Bids No. PT18-0101F – June 13, 2018

DATE: May 30, 2018

RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to low bidder, ERMCO, Dyersburg, TN, for the purchase of 15kV single phase pad mounted transformers, on an as needed basis. The recommendation is for an initial three-year contract term in the amount of \$1,032,539.00, plus the option for two additional one-year renewal periods, for a cumulative total of \$1,755,316.31 plus sales tax. The specification documents contain market-based provisions for price escalation/de-escalation that will affect the overall contract value.

BACKGROUND:

The contract is for the supply of single phase pad mounted transformers that will be utilized within Tacoma Power’s distribution system. The transformers to be supplied are required for new and modified customer services, aging asset replacements, service territory maintenance requirements and damage related events.

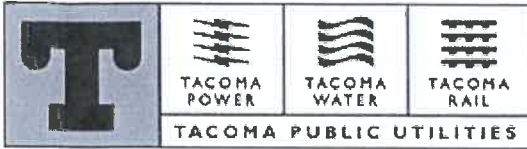
COMPETITIVE SOLICITATION:

Request for Bids Specification No. PT18-0101F was opened on May 15, 2018. Fifteen companies were invited to bid in addition to normal advertising of the project. Six submittals were received. The table below reflects the amount of the initial contract term.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
ERMCO	Dyersburg, TN	\$1,032,539.00
Central Moloney, Inc.	Pine Bluff, AR	\$1,037,937.00
Anixter, Inc.	Portland, OR	\$1,190,438.00
Wesco Distribution, Inc.	Portland, OR	\$1,300,861.00
General Pacific, Inc.	Fairview, OR	\$1,303,946.50
Dong Bang Electric Industrial, Co.	Kyungki-Do, Korea	\$1,740,963.00

Pre-bid Estimate: \$999,195.00

The recommended award is 3.34 percent above the pre-bid estimate.



SUSTAINABILITY: Not applicable

SBE/LEAP COMPLIANCE: Not applicable

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Capital Outlay Budget	N/A	5220100	\$1,755,316.31
TOTAL			\$1,755,316.31

* General Fund: Include Department

REVENUES: Not applicable

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$172,089.83

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

Chris Robinson, Power Superintendent/COO

APPROVED:

Linda McCrea, Interim Director of Utilities/CEO



EXHIBIT "A"

RESOLUTION NO.: U-11010
ITEM NO.: #3
MEETING DATE: JUNE 13, 2018

TO: Board of Contracts and Awards

FROM: Chris Robinson, Power Superintendent, Tacoma Power
Chris Mattson, Generation Manager, Tacoma Power
Andrew Ollenburg, Cushman Fish Facilities Manager, Generation/Natural Resources

COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, Keith Underwood/Natural Resources, and Kimberly Ward/ Finance-Purchasing

SUBJECT: Extension of Direct Negotiation for Professional Services contract with the Northwest Indian Fisheries Commission
Contract No. 4600012016– Requested Utility Board and/or City Council Date

DATE: May 23, 2018

RECOMMENDATION SUMMARY:

Tacoma Power requests approval to increase contract No. 4600012016, to **Northwest Indian Fisheries Commission, Olympia, Washington**, by \$500,000, plus any applicable taxes, for fish health and pathology inspection and testing, and fish tagging operations at the Cushman Hydro Project. This increase will bring the contract to a cumulative total of \$695,000, plus any applicable taxes.

BACKGROUND:

In support of the Cushman Hydroelectric Project FERC license requirements, Tacoma Power is reintroducing and expanding four species of pacific salmon in the North Fork Skokomish River. These fish populations have been severely depressed or completely extirpated from the drainage since the building of the dams, nearly 90 years ago. In order to accomplish these requirements, Tacoma has invested in the building of fish facilities at the Cushman Project, including fish passage facilities and two new fish hatcheries.

These fish introduction programs were initiated in 2016 with the completion of the hatchery facilities. Tacoma relies on partnerships and contracts with State, Federal, Tribal, and private agencies in order to successfully implement these programs. One of these agencies, the North West Indian Fisheries Commission (NWIFC), provides fish health monitoring and fish marking services that ensure our programs release high quality, healthy fish.

In order to get our reintroduction programs off of the ground, Tacoma must seed the North Fork Skokomish River with fish that start as eggs from other facilities. The eggs come from the WDFW Marblemount Hatchery, and the Puget Sound Energy Baker Lake Sockeye Hatchery, both located on the Skagit River. These eggs are subjected to rigorous testing to ensure they are pathogen free, as only this quality of egg can be imported into the Skokomish drainage for use in Tacoma's facilities.

Since 2016, we have had a two year, direct-negotiation contract with the NWIFC to provide these essential testing and fish health monitoring activities for us. This contract was put in place to not only provide fish health and tagging services, but also allowed us to start building important working relationships with tribal and other entities that are vital to our success.



This two year contract will expire in 2018. We are asking the PUB to approve an extension to this contract for an additional four years and \$500,000 in order to continue this critical work and building upon these successful relationships.

The NWIFC has proven to be strong and willing collaborators. This has built trust and rapport that has helped Tacoma Power gain efficiencies in our work. The NWIFC has also become a strong ally for Tacoma by communicating with other entities our hard work and dedication to running these facilities to the highest standards.

We believe maintaining our relationship with NWIFC will result in cost saving by maintaining the continuity and consistency of fish health care and marking programs we have established with NWIFC. While these activities could be performed by other agencies at comparable cost, such as WDFW, we could lose efficiencies and may diminish the goodwill we have built with the NWIFC and Fish Co-Managers. It is also worth noting that WDFW is one of our regulators, whereas the NWIFC is one step removed from that role. Tacoma Power would like to avoid a relationship where WDFW may become confused between its regulatory versus service-provider roles.

COMPETITIVE ANALYSIS:

The Northwest Indian Fisheries Commission are uniquely qualified to perform disease screening and fish marking services for the following reasons: 1) their involvement with the design of the Saltwater Park and North Fork Skokomish salmon hatcheries, 2) their involvement with disease protocol negotiations with the Skagit River fish managers to obtain spring Chinook and sockeye eggs for the Tacoma Power's "Skokomish" Program, 3) they are staffed with competent fish pathologists, and 4) they are a trusted advisor to the Northwest Tribes and WDFW regarding Tacoma Power's "Skokomish" Fish Program. These attributes are necessary for the success of our fish reintroduction programs at the Cushman Hydro Project as required by our FERC license.

CONTRACT HISTORY: This contract was originally awarded to Northwest Indian Fisheries Commission as a result of Direct Negotiation Waiver in September 2016.

SUSTAINABILITY: Not applicable

SBE/LEAP COMPLIANCE: The Small Business Enterprise (SBE) Regulation requirement was not required and Local Employment and Apprenticeship Training Program (LEAP) goals were not applicable.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
10000103013 (Cushman NR Salmon Hatchery)			\$300,000
10000103015 (Cushman Saltwater Park Hatchery)			\$200,000
TOTAL			

* General Fund: Include Department

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Expenditure of \$175,000.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

Chris Robinson, Power Superintendent/COO

APPROVED:

Linda McCrea, Interim Director of Utilities/CEO



EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #4

MEETING DATE:

TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO; John B. Lawrence, UTS Section Manager; and Terry Gifford, UTS Assistant Section Manager and Project Coordinator
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: Contract Increase for Post-Cutover Energy Management System Support RFP PS16-0427F, Contract No. 4600012603 – June 13, 2018
DATE: June 1, 2018

RECOMMENDATION SUMMARY:

Tacoma Power, Utility Technology Services (UTS) requests approval to increase contract 4600012603 with **Utilicast LLC, Kirkland, WA**, by \$336,375.00, for a cumulative total of \$4,303,115.00, plus applicable sales tax and expand the scope of work for post-cutover integration support to the Energy Management System (EMS). The purpose is to provide staff augmentation for up to six months following commissioning of the new EMS while staff gain knowledge and experience maintaining the new system.

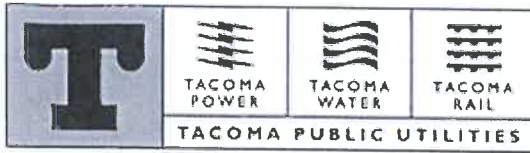
BACKGROUND:

Tacoma Power is completing the replacement of their Energy Management System (EMS). The EMS is a highly customized and complex control system critical for the control of the electric generation, transmission and distribution systems. Included as part of the EMS replacement is configuration of functionality not previously utilized by Tacoma Power. The methods used to integrate the new EMS with existing systems have been completely updated and modernized. Due to the complexity of the new system, the need for additional EMS maintenance activities will be higher during the first six months following commissioning.

ISSUE: The EMS system is very complex and has multiple environments and integrations. It was not anticipated at the time the project was created that this type of post go live support would be needed. The two EMS support engineers have received training on maintaining the new EMS, but will have limited experience conducting maintenance on the system while in full operation. The increased maintenance tasks supporting the operation of new EMS, and lower task efficiency due to limited staff experience will temporarily impact the ability of the EMS workgroup to support on-going electrical system engineering work.

To ensure reliable EMS operations Tacoma Power seeks this contract modification to provide temporary staff augmentation for the EMS workgroup while staff gains additional knowledge and experience with the new system. The systems integration contractor for the EMS implementation will provide staff to work side-by-side and remotely to help configure, update, modify, and/or model system changes required to support electrical system engineering work and to further tune the new EMS.

ALTERNATIVES: Tacoma Power could choose to support the new EMS post-cutover with existing staff only. In order to fulfill its obligations as a Balancing Authority and meet North American Electric Reliability Corporation (NERC) regulatory requirements, tasks required to maintain new EMS operation would be given priority over support for engineering work. There



is a risk under this approach that engineering projects might have to be either delayed or cancelled when work cannot be completed during a planned system outage period. Failure to complete electric system engineering work may pose risks to the reliable operation of the electric system or failure to meet regulatory/contractual obligations.

Tacoma Power could choose to advertise this work for bid or proposal. There are two disadvantages to this approach. 1) Support from a new contractor would require additional time for the contractor to acquire knowledge and experience of the new EMS configuration (essentially negating the need for the contract) and 2) Prior experience negotiating a similar augmented staffing contract to support the previous EMS, resulted in significantly higher market pricing (\$50/hour higher). For the full life of the recommended proposal, this alternative #2 would result in an increased cost of approximately \$75,000.

COMPETITIVE SOLICITATION:

The original contract was awarded to Utilicast LLC as a result of Request for Proposals Specification No. PS16-0427F.

CONTRACT HISTORY: Resolution U-10926, approved by the Public Utility Board in May 2017, authorized a contract with Utilicast LLC, in the amount of \$3,966,740, for integration and implementation services of the newly acquired OSI Monarch Energy Management System as a result of RFP No. PS16-0427F.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
EMS Cost Center	565301	80009475	\$336,375.00
TOTAL			

* General Fund: Include Department

REVENUES: N/A

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



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$336,375.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

Chris Robinson
Chris Robinson, Power Superintendent/COO

APPROVED:

Linda McCrea
Linda McCrea, Interim Director of Utilities/CEO



EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #5

MEETING DATE: JUNE 13, 2018

TO: Board of Contracts and Awards
FROM: Chris McMeen, P.E., Tacoma Water Supply Manager *Cm*
 Michel Peloquin, P.E., Professional Engineer, Tacoma Water Supply *MP*
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP
 Coordinator, and Doreen Klaaskate, Finance/Purchasing
SUBJECT: Deep Creek Pipeline Protection Project
 Request for Bids Specification No. WS18-0148F – JUNE 13, 2018
DATE: May 23, 2018

RECOMMENDATION SUMMARY:

Tacoma Water Supply recommends a contract be awarded to Southworth and Sons Inc, Enumclaw, WA, for the Deep Creek Pipeline Protection Project, in the amount of \$318,626.69, plus any applicable taxes.

BACKGROUND:

This project consists of furnishing all labor, equipment, and materials necessary to reroute Deep Creek in Cumberland, WA away from Tacoma Water Pipeline No. 1. Pipeline No. 1 is a critical pipeline for Tacoma Water. It is the conduit supplying water from the Green River Filtration Facility (GRFF) to McMillin Reservoir and the sole feed for customers in the 1010/950/931/810/705/316 pressure zones. Pipeline No. 1 also has wholesale customer connections with the City of Buckley, City of Enumclaw, and the City of Bonney Lake.

ISSUE: Currently, 22 feet of the Tacoma Water Pipeline No. 1 is exposed as a result of erosion of the channel bed. This project is intended to provide protection to Pipeline No. 1 from future erosion and channel migration of Deep Creek in Cumberland, WA which could jeopardize the operation of the pipeline.

ALTERNATIVES: Tacoma Water considered moving the pipeline away from the creek, but limited space available within the right-of-way of the BNSF railroad tracks prevented consideration of that alternative.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. WS18-0148F was opened on Tuesday, May 15, 2018. Eleven (11) companies were invited to bid in addition to normal advertising of the project. Seven (7) submittals were received.

Southworth & Sons Inc submitted a bid that resulted in the lowest submittal amount. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
Southworth & Sons Inc	Enumclaw, WA	\$318,626.69
Olson Brothers Excavating Inc	Puyallup, WA	\$435,064.00
Active Construction Inc	Puyallup, WA	\$446,117.87
Scarsella Bros Inc	Seattle, WA	\$519,267.00



Ceccanti Inc	Tacoma, WA	\$587,052.00
Rodarte Construction Inc.	Auburn, WA	\$636,558.50
Stafford Excavating Inc	Enumclaw, WA	\$656,125.00

Pre-bid Estimate: \$460,000.00

The recommended award is 30 percent below the pre-bid estimate.

COMPETITIVE ANALYSIS:

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Many environmental factors were considered in the design of this project. Specifically, logs available in the Green River Watershed were identified for reuse on Deep Creek. Compliance with strict permit requirements included in the Hydraulic Project Approval and Clearing & Grading permits require adherence to sustainability principles.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated April 10, 2018. 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 Water Bond Fund	WTR-00343-06	5330100	\$318,626.69
TOTAL			

* Excluding Applicable Taxes

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600-10WC	586306	6311156	\$318,626.69
TOTAL			



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$318,626.69

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

A handwritten signature in black ink, appearing to read 'Scott Dewhirst', is written above the name.

Scott Dewhirst, Water Superintendent

APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea', is written above the name.

Linda McCrea, Interim Director of Utilities/CEO



EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #6

MEETING DATE: JUNE 13, 2018

TO: Board of Contracts and Awards

FROM: Tony Lindgren, P.E., Tacoma Water Distribution Engineering Division Manager
Ryan M. Flynn, P.E., Tacoma Water Distribution Engineering Assistant Division Manager

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

SUBJECT: Water Main Replacement Project No. MRP 2017-22
Request for Bids Specification No. WD18-0084F - June 13, 2018

DATE: May 31, 2018

RECOMMENDATION SUMMARY:

Tacoma Water Distribution Engineering recommends a contract be awarded to Pape & Sons Construction Inc, Gig Harbor, WA, for the replacement of acquired asbestos cement and plastic water mains in the vicinity of 161st Street East and 48th Avenue East in Pierce County, in the amount of \$509,369.00, plus any applicable taxes.

BACKGROUND:

This project consists of furnishing all labor, tools and materials for replacing approximately 4,000 linear feet of asbestos cement and plastic water main acquired from the Curran Road Mutual Water Association (Curran Road) in the vicinity of 161st Street East and 48th Avenue East in Pierce County. The project will construct approximately 3,030 linear feet of 4-inch and 8-inch ductile iron water main.

In 2017, the Public Utility Board and City Council authorized the acquisition of the Curran Road water system. The proposed water main work was identified for replacement as part of the acquisition process. Water system improvements within the former Curran Road service area will ultimately be paid for through a surcharge on those customers receiving service within the former Curran Road service area. The customer surcharge is anticipated to have an approximate duration of 30-years.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. WD18-0084F was opened May 29, 2018. Thirty-three companies were invited to bid in addition to normal advertising of the project. Two (2) submittals were received.

Pape & Sons Construction Inc submitted a bid that resulted in the lowest submittal after consideration of SBE participation goals. The table below reflects the amount of the base award.



<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>	<u>Evaluated</u> <u>Submittal</u>
Pape & Sons Construction Inc	Gig Harbor, WA	\$ 509,369.00	\$ 509,369.00
Northwest Cascade Inc	Puyallup, WA	\$ 565,824.00	\$ 565,824.00

Pre-bid Estimate: \$493,470.00

The recommended award is 3.2 percent above the pre-bid estimate.

COMPETITIVE ANALYSIS:

CONTRACT HISTORY: New contract

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated May 31, 2018. The SBE goal for this project is 16 percent. The SBE participation level of the recommended contractor is 0 percent. Pape & Sons Construction Inc submitted the lowest bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 391 hours.

Pape & Sons Construction Inc elected not to use SBE subcontractors as part of their bid submittal preparation, and therefore did not receive SBE credit during the bid evaluation process. As the cost difference between the submitted bids was greater than 5%, reordering of the bidders as a result of SBE participation was not possible.

FISCAL IMPACT:

EXPENDITURES:

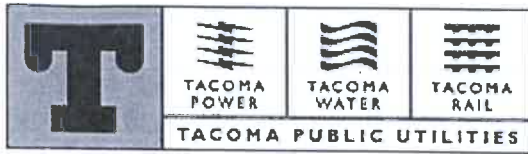
FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Water Bond Fund*	WTR-00560-02-04	5330100	\$ 509,369.00
TOTAL			

* Excluding Applicable Sales Tax

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600-10WC Water 2010 Construction Bond Fund*	586306	6311156	\$ 509,369.00
TOTAL			

* Excluding Applicable Sales Tax



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 509,369.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

A handwritten signature in black ink, appearing to read 'Scott Dewhirst', is written over a faint circular stamp.

Scott Dewhirst, Water Superintendent

APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea', is written in a cursive style.

Linda McCrea, Interim Director of Utilities/CEO



**Community and Economic Development Department
Small Business Enterprise (SBE) Office
Evaluated Bid Status Report**

To: Grant Whitley
 Date: May 31, 2018
 Subject: Water Main Replacement Project, MRP 2017-22
 Specification No. WD18-0084F
 Contractor: Pape & Sons, Inc.
 9401 Bujacich Road, Suite 1A
 Gig Harbor, WA 98332

SBE Subcontractor(s) to be used on the project: NONE

Project SBE Goal: 16%

SBE Evaluation

DESCRIPTION Water Main Replacement Project MRP 2017-22

Contract: WD18-0084F

SBE Goal: 16.00%

	<u>Contractor Name</u>	<u>Base Bid</u>	<u>SBE Bid</u>	<u>SBE %</u>	<u>SBE Credit</u>	<u>Evaluated Bid</u>	
1	Pape & Sons, Inc.	\$ 464,369.00	\$.	\$ -	\$ -	\$ 464,369.00	Lowest evaluated bid
2	Northwest Cascade	\$ 520,824.00	\$	\$ -	\$ -	\$ 520,824.00	

APPROVED

The SBE project goal was established at 16%. No bidders met the goal; therefore, the lowest evaluated bid is considered the successful bidder.

DISAPPROVED

Bidder is not considered responsive for the following reason(s):

- Bidder did not complete all necessary forms
- See attached memorandum dated _____.

Carrie Lynn
 Carrie Lynn, SBE Coordinator

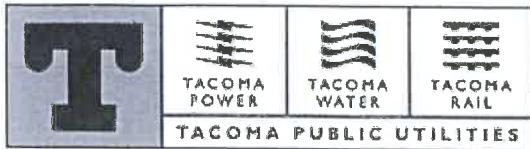


EXHIBIT "A"

RESOLUTION NO.: U-11010

ITEM NO.: #7

MEETING DATE: JUNE 13, 2018

TO: Board of Contracts and Awards

FROM: Tony Lindgren, P.E., Tacoma Water Distribution Engineering, Division Manager
Ryan M. Flynn, P.E., Tacoma Water Distribution Engineering Assistant Division Manager

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

SUBJECT: Water Main Replacement Project 2017-35
Request for Bids Specification No. WD18-0145F - June 13, 2018

DATE: May 30, 2018

RECOMMENDATION SUMMARY:

Tacoma Water Distribution Engineering recommends that a contract be awarded to Northwest Cascade Inc, Puyallup, WA, for the replacement of galvanized water mains in the vicinity of North Grant Avenue from Sprague Avenue to North 8th Street, in the amount of \$426,942.00, plus any applicable taxes.

BACKGROUND:

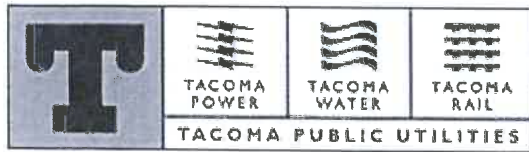
This contract provides for the construction of approximately 800 linear feet of 6-inch ductile iron water main in Grant Avenue from Sprague Avenue to North 8th Street, and North 9th Street from Grant Avenue to North Ainsworth Avenue. The new water mains will replace 2-inch galvanized water mains, believed to have been constructed in the 1920's. Replacement of the galvanized water mains will increase the level of service provided to our customers, improve fire flow in the vicinity, and enhance operational flexibility of the distribution system.

The water main replacement work in Grant Avenue is adjacent to Jason Lee Middle School. Following consultation with school administration, Tacoma Water scheduled this contract for advertisement to allow for construction to be completed during the summer months, thereby minimizing disruption to student learning and impacts to school walk routes.

Only one bid was received for this contract, which is attributed to a strong local economy in which contractors have full schedules of work and lack capacity to take on additional work during the desired timeframe.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. WD18-0145F was opened May 22, 2018. Thirty-three companies were invited to bid in addition to normal advertising of the project. One (1) submittal was received.



Northwest Cascade, 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 base award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>	<u>Evaluated</u> <u>Submittal</u>
Northwest Cascade Inc.	Puyallup, WA	\$ 426,942.00	\$ 426,942.00

Pre-bid Estimate: \$ 366,166.00

The recommended award is 16.5 percent above the pre-bid estimate.

COMPETITIVE ANALYSIS:

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated May 30, 2018. The SBE goal for this project is 22 percent. The SBE participation level of the recommended contractor is 6 percent. Northwest Cascade Inc submitted the evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 293 hours.

FISCAL IMPACT:

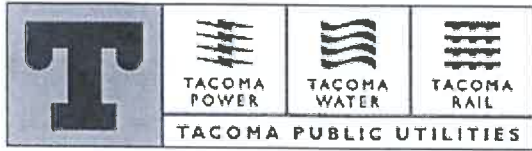
EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Water Bond Fund	WTR-00555-01-03	5330100	\$ 426,942.00
TOTAL			\$ 426,942.00

REVENUES:

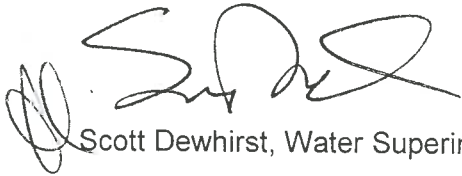
FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600-10WC Water 2010 Construction Bond Fund*	586306	6311156	\$ 426,942.00
TOTAL			\$ 426,942.00

* Excluding Applicable Sales Tax



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 426,942.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

A handwritten signature in black ink, appearing to read 'Scott Dewhirst', is written over a circular stamp or seal.

Scott Dewhirst, Water Superintendent

APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea', is written in a cursive style.

Linda McCrea, Interim Director of Utilities/CEO



**Community and Economic Development Department
Small Business Enterprise (SBE) Office
Evaluated Bid Status Report**

To: Grant Whitely
 Date: May 30, 2018
 Subject: Water Main Replacement Project MRP 2017-35
 Specification No.WD18-0145F
 Contractor: Northwest Cascade, Inc.
 PO Box 73399
 Puyallup, WA 98373

SBE Subcontractor(s) to be used on the project: Newell Brothers, Inc.

SBE Project Goal 22%

SBE Evaluation

DESCRIPTION Water Main Replacement Project

Contract: WD18-0145F

SBE Goal: 22.00%

<u>Contractor Name</u>	<u>Base Bid</u>	<u>SBE Bid</u>	<u>SBE %</u>	<u>SBE Credit</u>	<u>Evaluated Bid</u>	
1 Northwest Cascade, Inc.	\$ 401,942.00	\$ -	-	\$ -	\$ 401,942.00	Lowest evaluated base bid

APPROVED

Northwest Cascade, Inc. was the only bidder on the above-referenced specification. Although Northwest Cascade, Inc. did not meet the 22% SBE goal; they did provide 6% SBE usage but utilizing the above-referenced certified City of Tacoma SBE contractor.

DISAPPROVED

Bidder is not considered responsive for the following reason(s):

- Bidder did not complete all necessary forms
- See attached memorandum dated _____.



 Carrie Lynn, SBE Coordinator



City of Tacoma

U-11010
#8
June 13, 2018

Contract and Award Letter
Purchase Resolution – Exhibit “A”

TO: Board of Contracts and Awards
FROM: Andrew Cherullo, Director, Finance Department
Patsy Best, Procurement and Payables Division Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, SBE Coordinator, and Doreen Klaaskate Finance/Purchasing
SUBJECT: Citywide Hot Mix Asphalt
Request for Bids Specification No. CT18-0135F, Contract#4600013269
Public Utility Board June 13, 2018 and City Council June 19, 2018
DATE: June 5, 2018

RECOMMENDATION SUMMARY:

The Finance Department, Purchasing Division recommends a contract to be awarded to Puget Paving & Construction Inc, Lakewood, WA, for as needed, hot mix asphalt (HMA), in the amount of \$398,000.00, plus a 10% contingency, plus applicable taxes, for an initial contract term of one year in the amount of \$437,800.00 with the option for four additional one year renewal terms for an estimated cumulative total of \$2,189,000.00, plus applicable sales tax.

STRATEGIC POLICY PRIORITY:

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

BACKGROUND:

This citywide contract provides as needed purchases of HMA for use by various City departments. HMA is used to permanently repair potholes, perform wheel path and lane replacements on arterial and residential streets, perform utility patches, and grind and overlay residential streets through the residential street paving program.

The City’s asphalt plant produces 10,000 to 15,000 tons of HMA mix per year, however it cannot produce the quantity of HMA required to meet all of the City’s maintenance needs. This contract will augment HMA produced by the City’s asphalt plant.

Primary usage of this contract is for HMA purchases for departments Public Works Street Operations projected at 7500 tons per year, Tacoma Water at projected at 400 tons per year, an Environmental Services projected at 113 tons per year.

ISSUE: The City of Tacoma, has the need for an as needed HMA contract for critical infrastructure use.

ALTERNATIVES: With no contract in place, The City would have to rely on the City’s asphalt plant for all of their HMA needs, which would impact the City’s ability to make necessary repairs or bid individually which would not take advantage of economy to scale pricing.



COMPETITIVE SOLICITATION:

Request for Bids Specification No. CT18-0135F was posted on the City of Tacoma website on April 6, 2018 and advertised in the Tacoma Daily Index. Bids were opened on April 24, 2018. One submittal was received.

<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>
Puget Paving & Construction Inc	Lakewood, WA	\$398,000.00

Pre-bid Estimate: \$400,000.00

The recommended award is .05 percent below the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: Properly maintained streets reduces claims for damages and reduces commute times, which then decreases fuel consumption.

SBE/LEAP COMPLIANCE: N/A

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departments	Various	5220100	
TOTAL			

* General Fund: Include Department

REVENUES: N/A

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departments	Various	5220100	
TOTAL			



City of Tacoma

Contract and Award Letter
Purchase Resolution – Exhibit "A"

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Various Department Budgets

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Various – Funds for the contract are provided by the individual departments using the contract. Funding beyond the current biennium is subject to future availability of funds. The user departments are billed directly for their purchases.

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

N/A



RESOLUTION NO. U-11011

1
2 A RESOLUTION authorizing Tacoma Power to execute Task Order #1 Phase 2
3 – For Procurement and Construction per the 2016 Task Order
4 Agreement with the Port of Tacoma.

5 WHEREAS the City of Tacoma, Department of Public Utilities, Light
6 Division (d.b.a. "Tacoma Power"), requests approval to execute Task Order #1
7 Phase 2 – For Procurement and Construction per the 2016 Task Order
8 Agreement ("TOA") with the Port of Tacoma, to include: temporary power for
9 development of the site, removal of overhead power lines, permanent
10 underground electric service and modification of current power lines, and

11 WHEREAS Task Order #1 addresses the redevelopment of the Port of
12 Tacoma's parcel 77 (a/k/a Kaiser Smelter Site) and modifications to the Port of
13 Tacoma East Blair 1 terminal (a/k/a EB1), in which the Port of Tacoma, in
14 partnership with Transdevelopment Group, is developing the parcel to allow
15 import and processing of vehicles by Wallenius Willhelmsen Solutions and
16 Nissan USA in preparation for transport throughout the country via rail or truck,
17 and
18

19 WHEREAS Phase 1 of Task Order #1 was authorized on April 2, 2018,
20 by John Merrell, T&D Manager for Engineering, in the amount of \$25,000 for
21 engineering design and procurement specifications, and the estimate for Phase
22 2 for procurement and construction activities is \$230,000, for a cumulative total
23 of \$255,000, and
24

25 WHEREAS, on February 6, 2018, the Port of Tacoma Commission
26 authorized the construction phase of the Parcel 77 Auto Import Terminal



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Project, in the amount of \$35,000,000, which includes \$325,000 to cover the costs of Tacoma Power's procurement and construction activities, including labor, equipment, and materials, and

WHEREAS the Port of Tacoma will reimburse Tacoma Power for labor, materials, and equipment per the terms of the 2016 TOA, which will remain in effect until February 28, 2021, and

WHEREAS Tacoma Municipal Code section 1.06.268 C requires the Public Utility Board to approve all contracts with a total gross value in excess of \$200,000, and

WHEREAS Tacoma Power believes the approval of Task Order #1 Phase 2 – For Procurement and Construction per the 2016 Task Order Agreement with the Port of Tacoma is in the best interest of Tacoma Power's customers; Now, Therefore,

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

That Tacoma Power's Task Order #1, Phase 2 – For Procurement and Construction per the 2016 Task Order Agreement with the Port of Tacoma is hereby approved in the amount of \$230,000, to be reimbursed by the Port of Tacoma, for labor, materials and equipment, and the proper officers of the City

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are authorized to execute said agreement substantially in the form as on file with the Clerk and as approved by the City Attorney.

Approved as to form and legality:

Chair

[Signature]
Chief Deputy City Attorney

Secretary

Clerk

Adopted _____

Request for Board meeting

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

of June 13, 2018

REQUEST FOR RESOLUTION

Date May 9, 2018

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)

Tacoma Power requests approval to execute Task Order #1 Phase 2 - Procurement and Construction of the 2016 Task Order Agreement (2016 TOA) between Tacoma Power and Port of Tacoma.

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

To authorize Tacoma Power to execute Task Order #1 Phase 2 - Procurement and Construction of the 2016 TOA between Tacoma Power and the Port of Tacoma. The scope of work includes:

- Temporary power for development of the site.
- Removal of existing 13.8kV overhead lines that originate from Alexander Ave.
- Permanent electrical service originating from Taylor Way – extension of 13.8kV underground.
- Permanent electrical service originating from Alexander Ave. – extension of 13.8kV underground.
- Modify existing 13.8kV lines within the Alexander Ave. right-of-way to accommodate the installation of a new railroad switch and rail.

3. Summarized reason for resolution:

Task Order #1 addresses the redevelopment of Port of Tacoma's Parcel 77 (aka: the Kaiser Smelter Site), and modifications to the Port of Tacoma East Blair 1 terminal (aka: EB1). The Port of Tacoma, in partnership with Transdevelopment Group, is developing the parcel to allow import and processing of vehicles by Wallenius Willhelmsen Solutions and Nissan USA in preparation for transport throughout the country via rail or truck.

Phase 1 of Task Order #1 for engineering services valued at \$25,000 was authorized on April 2, 2018 by John Merrell, T&D Assistant Manager for Engineering. Estimate for Phase 2 procurement and construction activities is for \$230,000. The cumulative total for Task Order #1 would be \$255,000.

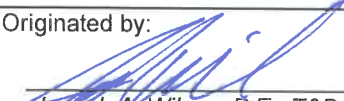
On February 6, 2018 the Port of Tacoma Commission authorized the construction phase of the Parcel 77 Auto Import Terminal Project. Meeting agenda item 4B authorized \$35,000,000 for the project, which includes \$325,000 for Tacoma Power procurement and construction activities including labor, equipment, and materials.

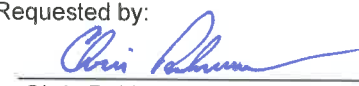
4. Attachments:


- Memo from Joe Wilson to Chris Robinson dated May 1, 2018
- 2016 TOA Task Order #1 – Port Project #201020 – Parcel 77 Development WWL & Nissan
- 2016 Task Order Agreement
- Port of Tacoma, Item 4B Memo
- Port of Tacoma, Item 4B Presentation

5. Funds available Proposed action has no budgetary impact
This project will have no financial impact to Tacoma Power because it is 100% customer funded.

6. Deviations requiring special waivers: None

Originated by: 
Joseph A. Wilson, P.E., T&D Manager
(rfrcs/dot)

Requested by: 
Chris Robinson, Power Superintendent

Approved: 
Linda McCrea, Interim Director of Utilities

MEMORANDUM



DATE: May 01, 2018

TO: Chris Robinson, Power Superintendent *CR*

FROM: Joe Wilson, T&D Manager *JW*

SUBJECT: Port of Tacoma 2016 TOA Task Order #1 – Procurement and Construction for the Development of Port of Tacoma Parcel 77

Task Order #1 addresses the redevelopment of the Port of Tacoma's Parcel 77 (aka: the Kaiser Smelter Site), and modifications to the Port of Tacoma East Blair 1 terminal (aka: EB1). The Port of Tacoma, in partnership with Transdevelopment Group, is developing the parcel to allow import and processing of vehicles by Wallenius Wilhelmsen Solutions and Nissan USA in preparation for transport throughout the country via rail or truck. Phase 1 of Task Order #1 for engineering services valued at \$25,000 was authorized on April 2, 2018 by John Merrell, T&D Assistant Manager for Engineering. Estimate for Phase 2 procurement and construction activities is for \$230,000. The cumulative total for Task Order #1 would be \$255,000.

Phase 2 of Task Order #1 includes providing:

- Temporary power for development of the site.
- Removal of existing 13.8kV overhead lines that originate from Alexander Ave.
- Permanent electrical service originating from Taylor Way – extension of 13.8kV underground.
- Permanent electrical service originating from Alexander Ave. – extension of 13.8kV underground.
- Modify existing 13.8kV lines within the Alexander Ave. right-of-way to accommodate the installation of a new railroad switch and rail.
- Electrical service as needed on the East Blair 1 terminal site to accommodate the project.

Development of the site includes expansion of Tacoma Rail facilities in order to transport vehicles via rail. This will be addressed by a separate agreement.

The Port of Tacoma will reimburse Tacoma Power for labor, materials, and equipment per the 2016 Task Order Agreement (TOA) dated February 16, 2016 and will remain in

effect until February 28, 2021. As stated in the TOA, the Port of Tacoma will pay actual costs, to be billed monthly.

On February 6, 2018, the Port of Tacoma Commission authorized the construction phase of Parcel 77 Auto Import Terminal Project. Meeting agenda item 4B authorized \$35,000,000 for the project, which includes \$325,000 for Tacoma Power procurement and construction activities including labor, equipment, and materials.

Cc: Joseph Rempe, Daniel Reed, John Merrell



Task Order #01 between Tacoma Power and the Port of
Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



**PROJECT: Port of Tacoma Project #201020
Parcel 77 Development – WWL & Nissan**

The general provisions and clauses of the 2016 Task Order Agreement (aka: 2016 ILA) shall be in full force and effect for this Task Order #01. The agreed to scope, schedule and cost for this task order is as noted below and as attached and referenced herein.

PROJECT SCOPE:

The Port of Tacoma, in partnership with Transdevelopment Group, is working to develop the Port of Tacoma Parcels 10 & 77 (aka: the Kaiser Site) for use by the Wallenius Wilhelmsen Logistics (WWL) and Nissan USA for the receiving of vehicles and preparing them for shipment throughout the country by rail or truck. The project scope includes:

- Clearing and grading of the site
- Installing pipe, conduit and vaults for utilities throughout the Parcel 77 site
 - To include conduit and vaults for Tacoma Power cables, equipment, and transformer per Tacoma Power Standards and as directed by Tacoma Power Engineer.
- Paving site and providing storm water facilities per City of Tacoma standards
- Installing rail infrastructure that links Taylor Way and Alexander Ave rail lines, including multiple loading tracks within the site.
- Constructing various buildings and facilities on site to support the receipt and distribution of vehicles

Tacoma Power infrastructure to be affected by the development:

- Replace Tacoma Power Pole #45310 @ approx. 3400 Taylor Way to be used as a terminal pole for an underground extension of the 13.8kV lines onto the parcel.
- Existing 13.8 kV lines that served prior portable office structures located adjacent to Alexander Ave (Pole #'s 4443,7202,4447)
- 13.8kV lines along Alexander that will be affected by a new rail turnout located just North of the EB1 terminal entrance. (Pole #'s to be confirmed)

Tacoma Power scope of work as understood upon endorsement of this task order:

- A. Provide temporary power for construction of facilities on Parcel 77
- B. Extend 13.8kV underground lines from Taylor Way right-of-way to serve the facility's main complex and lighting, to two locations within the site at which Tacoma Power transformers and meters will be installed.
 - This will include the reconstruction of a 13.8kV crossing of Taylor Way.
- C. Remove 13.8kV overhead lines that currently serve the site from Alexander Ave right-of-way
- D. Extend 13.8kV underground lines within the Alexander Ave right-of-way the parcel to serve selected loads to locations within the site at which Tacoma Power transformers and meters will be installed.
- E. Modify 13.8kV lines within the Alexander Ave right-of-way to allow for a new rail turn out and switch.



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



At the time of this agreement – Phase #1

- Tacoma Power T&D Engineering does not foresee a need for formal easements from the Port of Tacoma; to cover the lines and equipment that will be installed within Parcel 77 providing electrical service to the planned new facilities; in place of the rights, duties and responsibilities as detailed in the City of Tacoma Municipal Code Section 12.06 Electrical Energy – Regulations and Rates.
- Materials, equipment, and transformers required to serve the site and mitigate offsite improvements are stock items within the Tacoma Power Warehouse and Transformer Shop. No significant long lead time times are anticipated.

DELIVERABLES:

(The specific items listed below are pending final engineering and may change as both Port of Tacoma and Tacoma Power requirements are further identified.)

- **Phase #1 - Engineering Design & Procurement Specifications**
 - Detailed Engineering of structures and lines
 - Identification of specific easement requirements for Tacoma Power infrastructure
 - Coordination with attached communication utilities
 - Development of a detailed scope of work for Procurement & Construction
 - Procurement
 - Identify stock materials required
 - Develop specifications for non-stock materials
 - Cost Estimate for all structures and materials
 - Construction
 - Description of Construction related tasks – referencing the 2016 Exhibit of Task Matrix
 - TPWR tasks
 - Port of Tacoma Tasks in support of TPWR Engineering
 - Initial identification required resources
 - Cost estimate for TPWR construction related tasks
-
- **Phase #2 - Procurement & Construction**
 - Procurement
 - Civil Components – Port supplied
 - TBD per Phase #1
 - Electrical Components – TPWR supplied
 - TBD per Phase #1
 - Construction
 - TBD per Phase #1



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



SCHEDULE:

Engineering & Contract Review

A. Temporary Power to Parcel 77

Tacoma Power Order #	100001XXXXX
Engineering Complete	May 2018
Construction Start	May 2018
Construction Complete	June 2018

B. Extend 13.8kV underground lines from Taylor Way to serve facility's main complex

Tacoma Power Order #	100001XXXXX
Engineering Complete	June 2018
Construction Start	September 2018
Construction Complete	September 2018

C. Removal of 13.8kV Overhead lines that originate from Alexander Ave

Tacoma Power Order #	100001XXXXX
Engineering Complete	June 2018
Construction Start	September 2018 / June 2018
Construction Complete	September 2018 / July 2018

D. Extend 13.8kV underground lines from Alexander Ave to serve facility loads

Tacoma Power Order #	100001XXXXX
Engineering Complete	June 2018
Construction Start	September 2018
Construction Complete	September 2018

E. Modify existing overhead 13.8kV lines along the West side of Alexander Ave to accommodate new rail switch and turn out.

Tacoma Power Order #	100001XXXXX
Engineering Complete	May 2018
Construction Start	June 2018
Construction Complete	July 2018



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement Parcel 77 Development



ASSUMPTIONS:

- Port will provide the following deliverables, but not limited to:
 - Site survey as required for preliminary engineering
 - In the name of the Tacoma Public Utilities Light Division, dba Tacoma Power
 - Permits from any governmental and regulatory entities required for the project
 - Timely approval of Task Order Phases 1, & 2
 - AutoCAD files as needed to include
 - Property Lines & Right-of-way
 - Existing conditions
 - Planned conditions & Future concepts
 - Access to site for engineering, operating, and construction activities.
- The Port, will include within their civil construction contract the installation of TPWR civil infrastructure.
 - The contractor and/or subcontractor(s) performing the work on the Tacoma Power facilities will be listed on Tacoma Power's pre-qualified electrical contractors list.
 - <http://www.mytpu.org/contact/bids-contracts/prequalification-electrical-contractors.htm>
 - Tacoma Power standards will be included in the contract document
 - <https://www.mytpu.org/tacomapower/electrical-permitting/electrical-construction-standards.htm>
 - Tacoma Power will supply a construction inspector, funded by the Port, to ensure installation of conduit & vaults are to Tacoma Power standard and the engineer's design.
- Design related items
 - Conductor clearances to structures and ground will be designed by Tacoma Power to exceed:
 - WAC 296-45-045 – referencing ANSI Standard C2-2012 – National Electrical Safety Code
 - Port of Tacoma will direct facility construction & design to meet the worker & equipment safety clearances to overhead electrical lines for unqualified workers will be per the State of Washington worker safety rules that include:
 - WAC 296-24-960
 - WAC 296-155-428
 - WAC 296-155-53408
 - Tacoma Power lines within or adjacent to the parcels & adjoining R/W are energized at:
 - 115,000V (115kV) Line to Line / 69,000V (69KV) Line to Ground
 - 13,800V (13.8kV) Line to Line / 8,000V (8kV) Line to Ground
 - The Port of Tacoma will provide for all civil construction needs for the project.

STAFF RATES:

Rates for all staff levels by job classification working on project are available upon request.



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



COST ESTIMATE:

PHASE #1 - ENGINEERING

- A. Temporary Power to Parcel 77
Tacoma Power Order # 100001XXXXX
- B. Extend 13.8kV underground lines from Taylor Way to serve facility's main complex
Tacoma Power Order # 100001XXXXX
- C. Removal of 13.8kV Overhead lines that originate from Alexander Ave
Tacoma Power Order # 100001XXXXX
- D. Extend 13.8kV underground lines from Alexander Ave to serve facility loads
Tacoma Power Order # 100001XXXXX
- E. Modify existing overhead 13.8kV lines along the West side of Alexander Ave to accommodate new rail switch and turn out.
Tacoma Power Order # 100001XXXXX

TOTAL ENGINEERING & PROJECT MANAGEMENT \$ 25,000



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



PHASE #2 - PROCUREMENT & CONSTRUCTION

A. Temporary Power to Parcel 77

Estimated \$ 15,000

B. Extend 13.8kV underground lines from Taylor Way to serve facility's main complex

Construction \$ 125,000

C. Removal of 13.8kV Overhead lines that originate from Alexander Ave

Construction \$ 5,000

D. Extend 13.8kV underground lines from Alexander Ave to serve facility loads

Construction \$ 25,000

E. Modify existing overhead 13.8kV lines along the West side of Alexander Ave to accommodate new rail switch and turn out.

Construction \$ 60,000

TOTAL PROCUREMENT & CONSTRUCTION

\$ 230,000



Task Order #01 between Tacoma Power and the Port of Tacoma per the 2016 Task Order Agreement
Parcel 77 Development



TASK ORDER APPROVAL

Phase #1 – Engineering Design and Procurement Specifications - \$25,000

TACOMA POWER

PORT OF TACOMA

By: [Signature]

By: [Signature]

Title: Asst. Sect. Mgr., T&D Engr.

Title: Sr. Project Manager

Date: 4-2-2018

Date: 3/27/18

Phase #2 – Procurement & Construction - \$230,000

TACOMA POWER

PORT OF TACOMA

By: _____

By: [Signature]

Title: _____

Title: Sr. Project Manager

Date: _____

Date: 5/8/18

Approved as to form:

Tom Morrill
Chief Deputy City Attorney

Approved:

Andy Cherullo
Finance Director

AGREEMENT For
THE ADMINISTRATION OF ENGINEERING, PROCUREMENT, AND CONSTRUCTION
TASK ORDERS

Between
TACOMA POWER and THE PORT OF TACOMA

This Agreement is made and entered into this 16th day of February, 2016, between the Port of Tacoma, hereinafter referred to as the "Port" and the City of Tacoma, Department of Public Utilities, Light Division, a municipal corporation of the State of Washington, hereinafter referred to as "Tacoma Power." Tacoma Power and the Port each may be referred to as a "Party," or collectively as the "Parties."

WHEREAS, the Port and Tacoma Power have a shared interest in promoting economic development within their respective jurisdictional areas;

WHEREAS, the Port and Tacoma Power have a shared interest in identifying opportunities to conserve energy or harvest renewable power;

WHEREAS, the Port's economic development actions within the Tacoma Tidelands may require the Parties to enter into a series of engineering, procurement, and other Task Orders as may be necessary at the Port's request for the relocation of existing Tacoma Power utility infrastructure systems, and or the construction of new Tacoma Power infrastructure (hereinafter: "Port-Requested Utility Infrastructure Relocation and Construction", or "PRUIRC"),

WHEREAS, The Port recognizes that Tacoma Power is an electrical utility whose first and foremost priority is the maintenance of service to its existing customers and accordingly neither the Port nor its contractor shall be entitled to damages if during emergencies, Tacoma Power resources are diverted from projects/task orders within the Port to restore electrical service throughout its service territory and the surrounding region as needed;

WHEREAS, both Parties recognize that time is of the essence in the performance of the obligations set forth in this Agreement; and

WHEREAS, both Parties desire to set forth consistent terms and conditions for the administration of the above mentioned Task Orders,

NOW, THEREFORE, the Parties agree as follows;

PURPOSE

The purpose of this Agreement (Agreement) is to establish administrative terms and conditions to serve as standard specifications or general provisions for the various task orders generated by the PRUIRC project.

GENERAL REQUIREMENTS

- 1) This Agreement shall set forth the administrative terms and conditions for subsequent Task Orders issued in support of PRUIRC, which shall incorporate this Agreement by reference.
- 2) This Agreement shall remain in effect until February 28, 2021.
- 3) A PRUIRC Task Order shall contain the scope, schedule, and budget for one or more mutually agreed upon scope(s) of work or procurement related to the Port's development program. A sample Task Order is included in **Exhibit A**. PRUIRC Task Orders should include, but not be limited to the following:
 - a) Project Study/Scope
 - b) Project Management & Administration
 - c) Engineering
 - d) Procurement
 - e) Construction/Inspection
 - f) Assumptions/Clarifications
 - g) Staff Rates
 - h) Schedule

RESOURCES

- 4) **Task Order Assignments**, The assignment of engineering, procurement, and other resources to address the requirements of the PRUIRC Task Orders under this Agreement will be determined for each individual Task Order. The Resource Matrix, which is attached hereto as **Exhibit B**, will serve as a template for future project work allocation considering the available resources of qualified agencies and key personnel. Both Parties reserve the right to review the Resource Matrix until the termination of this Agreement and notify the other Party of any necessary adjustments.
- 5) **Shared Consultant Services**. If additional consultant services are required beyond either party's existing internal and/or contracted resources, the Party with lead responsibility will determine the best approach to providing consultant services. Both Parties will participate in consultant selection. The lead Party may negotiate and execute consultant contracts after affording the other Party an opportunity to review scope, schedule and fee. Neither Party will retain a consultant to whom the other Party has a reasonable objection. For a PRUIRC project in which both Tacoma Power and the Port are leads for individual Task Orders, the Parties will consider the feasibility of project insurance prior to retaining consultants. The consultant will be selected through competitive process meeting the contracting requirements of the lead Party that may be either through:
 - a) A listing of qualified consultants created through an open RFQ process.
 - b) A competitive solicitation specific to the task order.
- 6) **Port Retained Consultants**. The consultant(s) and contractor(s) retained by the Port for the modification or construction of PRUIRC projects shall not deviate from Tacoma Power Design and Construction Standards and/or Practices unless authorized in writing by Tacoma Power's authorized representative. Any request for deviation from Tacoma Power's standards or issues that are not addressed by Tacoma Power Standards shall be submitted by the Port in a written format agreed to between the

Port and Tacoma Power. Upon receipt of the request for deviation Tacoma Power will with due diligence and after giving said request full and fair consideration submit a response in writing back to the Port. Tacoma Power's approval shall not unreasonably be withheld.

- 7) **Contractor Selection.** Tacoma Power shall have the authority to approve or disapprove the short list of all consultant(s) or contractor(s) retained by the Port for PRUIRC projects together with the work and the work product performed by said consultant(s) and contractor(s) including but not limited to:
- a) Substations Site Work, Structures, and Equipment
 - b) High-Voltage Transmission Structures and Lines
 - c) Medium-Voltage Distribution Structures and Lines
 - d) Low-Voltage Secondary and Service Structures and Lines
 - e) Transformation and Sectionalizing Equipment
 - f) Communication Structures and Lines
 - g) Property and easement locations or franchise terms

As a condition precedent to Tacoma Power's approval or disapproval as contained herein, Tacoma Power shall provide to the Port its approval/disapproval criteria in writing prior to the contractor selection for that PRUIRC Task Order, in order that the criteria be included as criteria within the competitive selection process defined in Paragraph 5 herein.

- 8) **Date Relied on.** In performing PRUIRC work, Tacoma Power and the Port will rely, to the extent reasonably practicable, on existing electrical planning studies, if available, and on current Tacoma Power standards and policies, and prudent electrical utility engineering and operating practices. Both Parties will pursue the efficient delivery of the most cost effective solutions consistent with Tacoma Power's standards and practices. Any data provided by one Party is subject to verification by the other Party.
- 9) **Use and Reuse Of The Design And Work Product.** Both Parties shall have full rights of use and reuse of the design and work product produced herein whether produced by Tacoma Power, Tacoma Power consultants and/or contractors, or Port consultants and/or contractors, and both Parties shall secure such rights in any contract issued to its consultants. The design and work product includes any drawings, calculations, and photos used in the design, procurement, and construction of Tacoma Power infrastructure. The Parties grant to each other an irrevocable non-exclusive right to use and reuse the design and work product for Tacoma Power infrastructure for PRUIRC work. This PRUIRC design and work product information and data may be Security Sensitive Information (SSI) and shall not be released for public disclosure unless
- a) Release is approved in writing by both Parties;
 - b) Release is required to complete design or solicit bids for construction;
 - c) Release is required by court order, or the law; or
 - d) Recipients of the released information shall sign a Confidentiality and Nondisclosure Agreement, unless the obligation is prohibited by law.

Neither Party will be responsible to supply 3rd party proprietary process systems, such as licensed software, which was used to create the design or work product. Such 3rd party process systems would be obtained independently by the requesting Party as needed, which request shall not unreasonably be denied.

- 10) **Equipment to be Used.** All electrical utility equipment and materials required for the construction of Tacoma Power infrastructure will be supplied by Tacoma Power unless the Parties otherwise agree in individual Task Orders. The following is a partial list of exceptions that may be obtained by the Port as detailed in subsequent Task Orders:
- a) Electrical conduit per Tacoma Power Specifications
 - b) Precast Concrete Vaults per Tacoma Power Specifications
 - c) Self-Supporting structures for transmission and distribution lines and associated foundations per Tacoma Power review and approval
 - d) Substation structures and foundations per Tacoma Power review and approval
 - e) 115 kV cable procurement and installation
- 11) **Salvage.** Salvage of electrical equipment, conductors, and materials will be addressed in subsequent PRUIRC Task Orders. Unless otherwise agreed, the Port shall be entitled to ownership of said salvaged equipment subject to the transfer of surplus equipment regulations that Tacoma Power is required to follow and provided said equipment was replaced by equipment purchased by the Port. Identification of equipment and the transfer of ownership will be addressed within individual PRUIRC Task Orders.

SCHEDULE

- 12) Each PRUIRC Task Order will include a schedule developed and agreed upon by the Parties. Both Parties will use due diligence to meet the agreed upon schedule milestones and completion dates.
- 13) If Tacoma Power anticipates or experiences an unforeseen and unavoidable delay in meeting said PRUIRC schedule of milestones and delivery dates, then Tacoma Power shall notify the Port in writing of the reason for the delay as soon as the delay is known to Tacoma Power and provide an estimate of any additional time and cost required for completion. The schedule will be adjusted unless the Port directs that Tacoma Power meet the original schedule. If the Port so directs, then Tacoma Power will provide the Port with the option(s) available and the estimated associated cost(s) to accelerate the work to meet the original schedule. The Port shall have the authority to choose between a schedule adjustment, or the payment of Tacoma Power's additional costs, including acceleration costs. No additional costs shall be incurred by the Port except pursuant to Paragraph 28 herein.
- 14) If the Parties enter into PRUIRC Task Orders for the procurement of long lead time items, then either Party may request that long lead time items be bid with normal and accelerated equipment delivery schedules. At its option, the Port may select the accelerated equipment schedule and shall be responsible for the vendor's additional bid cost.
- 15) The Port's and Tacoma Power's management will meet as mutually agreed upon when PRUIRC Task Orders are active to maintain oversight of performance, specifically as respects schedule and cost control so that potential problems may be addressed proactively.

COST

- 16) This Agreement does not authorize expenditure of funds. The Parties will prepare a not-to-exceed cost estimate for each of the subsequent PRUIRC Task Orders.
- 17) Said not-to-exceed cost estimates do not include any costs that may be incurred by Tacoma Power due to force majeure conditions, delays, or disruptions nor does it include any costs for a request by the Port for acceleration of the performance of the scope of any PRUIRC Task Order. Further, the Parties agree that said not-to-exceed estimate or estimates are estimates only and do not constitute a firm fixed price for the performance of said scope(s).
- 18) If at any time Tacoma Power anticipates that the cost to complete a specific PRUIRC Task Order will exceed the not-to-exceed amount it will promptly notify the Port in writing in order that the Parties can review, update, and approve the estimate as appropriate.
 - a) Tacoma Power shall charge and the Port shall pay for the actual cost of PRUIRC work performed by Tacoma Power, subject to the following conditions;
 - i) The Port is not obligated to pay for any cost that exceeds the not-to-exceed cost unless the Parties agree in writing as to the increased cost pursuant to Paragraph 28.

If this Agreement or any subsequent PRUIRC Task Order is terminated by the Port prior to completion for reasons other than the default of Tacoma Power, or if the Port defaults on this Agreement or any subsequent PRUIRC Task Order and said termination or default would cause a state of reduced operation and reliability to Tacoma Power's electrical system, then Tacoma Power shall restore its system to its pre-Task Order reliable and operable condition and the Port shall be responsible for the actual costs incurred by Tacoma Power to restore its system.

- 19) Tacoma Power's overhead rate at the time the PRUIRC Task Order is executed will be applied against all PRUIRC charges submitted to the Port for payment unless otherwise negotiated in a specific PRUIRC Task Order.

PAYMENT

- 20) Payment terms of the PRUIRC Task Orders for work performed by Tacoma Power will generally be as described below:
 - a) Engineering Design, Construction & Construction Support, Project Management and Contract Administration Task Orders. Tacoma Power will invoice the Port monthly. The Port agrees that it will remit payment to Tacoma Power within thirty (30) days following receipt of a complete invoice for any balance due, as provided by TMC 12.06.320.
 - b) Procurement agreements for long lead materials and equipment as set forth in Paragraph 14;
 - b.1 Subject to Paragraph 20.b.2 and Paragraph 28 herein, the Port shall pay Tacoma Power for long lead time equipment or materials in accordance with Tacoma Power's vendors' terms and conditions plus applicable overhead; however the applicable overhead will not apply if the Port orders the equipment

or materials directly from the vendor for shipment directly to the construction site.

b.2 If the Port takes any action that would cause the need for said PRUIRC equipment to be either terminated or delayed beyond the scheduled date of delivery the Port shall promptly pay Tacoma Power the actual costs incurred by Tacoma Power to terminate the order, to re-order, or if delayed, an amount equal to that actually paid by Tacoma Power for the accelerated delivery cost additional compensation for Tacoma Power's subcontractor that may claim damages due to the delay, and any storage costs incurred for the storage of the equipment.

b.3 If a vendor requires payment in full, then the Port shall be entitled to ownership of said equipment unless the equipment is required by Tacoma Power under the terms of Paragraph 18, and conditioned upon payment by Tacoma Power to the Port for said equipment. Tacoma Power shall be entitled to ownership of any and all equipment required under Paragraph 18, conditioned upon payment by Tacoma Power to the Port for said equipment, if the equipment had been purchased by the Port.

21) INVOICE PAYMENT

- a) Using its work breakdown structure, Tacoma Power will track PRUIRC expenses consistent with the format used to develop its estimates. PRUIRC Invoices shall be accompanied with supporting data showing:
 - i) Written summary of work performed for the period of the invoice
 - ii) Staff charges by name, discipline, date of service and description of task if available, and rates,
 - iii) Costs for equipment, supplies or other expenses,
 - iv) Any markups, overhead or other fees comprising the total cost.
 - v) A copy of any consultant agreement and invoice will also be provided when applicable.
- b) The Port or its auditors may audit the records of Tacoma Power related to the PRUIRC costs upon prior notice to Tacoma Power; such audit shall not delay the payment of a complete invoice submitted to the Port for payment.
- c) Invoices shall be emailed to the Port of Tacoma at cpinvoices@portoftacoma.com and shall include the Port's project number.
- d) In the event one Party fails to pay any PRUIRC-related monies to the other Party when due hereunder, the owing Party shall pay interests on such unpaid sum which shall accrue thirty (30) calendar days after the date due per Paragraph 20(a) herein at the rate of 1% per month compounded with a three dollar (\$3.00) minimum.

22) The approval or payment of invoices shall not in any way relieve the Parties of any liability to one another for any error, omission or other deficiencies in performance, or operate as a waiver of any rights or remedies of either Party under this Agreement.

DELAY DAMAGES

- 23) Any PRUIRC delay damages shall be limited to those delay damages incurred by contractors retained by the Port on a PRUIRC Task Order-specific basis only. Tacoma Power shall be liable only for delay damages caused by Tacoma Power's forces, and not excusable by force majeure. Upon notification by a PRUIRC contractor of facts or circumstances that may result in a delay claim or the submission of a delay claim, the Port shall immediately notify Tacoma Power of the facts and circumstances, and tender the claim (if any) to Tacoma Power for investigation. The Port shall act immediately to preserve any and all evidence regarding the claim. The Parties agree that no claim for delay damages shall apply to a Task Order not identified as a Construction Task Order. Orders not so identified shall not be deemed a construction contract for purposes of RCW 4.24.360.
- 24) Force Majeure - Force Majeure means an event or occurrence or circumstance beyond the reasonable control of the Party claiming Force Majeure, including, but not limited to, acts of nature, labor dispute (including strikes), floods, earthquakes, storms, fires, lightning, epidemics, wars, riots, civil disturbances, sabotage, acts of public enemy, explosions, curtailments, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, or any other event or cause which is beyond the claiming Party's reasonable control, and which wholly or in part prevents the claiming Party from performing its obligations under this Agreement. Mere economic hardship of a Party does not constitute Force Majeure. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither Party will be considered in Default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and is obligated to perform immediately after the Force Majeure event has ended. The Parties reserve the right to claim Force Majeure when a Party's resources are required elsewhere, under the force majeure circumstance described herein.

CHANGES

- 25) This Agreement may be extended or otherwise modified by mutual agreement in writing by both parties and following approval in the same manner as this original Agreement.
- 26) Project Managers for the Port and Tacoma Power may establish a management plan for each PRUIRC Task Order. At a minimum the plan will include:
- a) Communication plan to facilitate timely and accurate flow of information
 - b) Meeting schedules for design teams and construction teams
 - c) Documentation and reporting processes for
 - i) status of work,
 - ii) project costs – direct and indirect costs
 - iii) requests for information (RFI's),
 - iv) impacts to scope, schedule, and budget
 - v) other utility participants requiring accommodation
 - vi) change orders, included but not limited to:
 - (1) new information concerning site conditions

- (2) modification of structures, equipment, or materials based on constructability
 - (3) Unforeseen changes in schedule due to operating requirements of the electrical system or the Port's development separate from the electrical infrastructure.
- 27) Each Party shall notify the other Party at the earliest opportunity of any requested changes that may directly or indirectly impact the service requested by the Port or provided by Tacoma Power under specific PRUIRC Task Orders.
- 28) Any and all changes in the scope of any PRUIRC Task Order shall require a written Change Order signed and dated by authorized representatives of both Parties. No other services for which additional compensation will be charged shall be furnished by Tacoma Power to the Port without a written Change Order, and no payment shall be required of the Port for any charges other than as contained in the Task Order without a written Change Order. The price and evaluation of any Change Order shall include direct and indirect costs that apply to any additions and/or deletions of work and/or material items, and schedule impacts including delay. The Parties shall agree in writing as to the scope, costs, and additional time required to accommodate said changes prior to any work being done on said changes.

PERMITS AND ACCESS

- 29) Unless the Parties otherwise agree, all property and right-of-way related issues concerning ownership, easements, franchises and permits shall be resolved and secured by the Port prior to any PRUIRC related construction of any infrastructure for Tacoma Power. All easements or franchise rights for electrical substations, overhead structures & lines, and underground infrastructure must be perpetual.
- 30) The Port shall furnish, at no cost to Tacoma Power, any necessary access, upon, over, under, and across lands owned or controlled by the Port for the performance of any PRUIRC Task Order and shall, upon reasonable advance written notice and reasonable times, grant Tacoma Power and/or its employees, representatives, agents, and/or contractors access to such land.
- 31) The Port will be responsible for acquiring all environmental permits necessary for the construction of PRUIRC related Tacoma Power infrastructure, including but not limited to substations, structures, transmission, distribution and data lines.
- 32) Transportation Worker Identification Card (TWIC) is required for any personnel needing unescorted access to secure areas of Port facilities, including utility workers and delivery personnel. Secure areas are those areas with security measures for access control in accordance with a Coast Guard approved security plan, as determined by the Port in its sole discretion. The Port will identify on each Task Order whether the site of the work requires TWIC. If so, the Parties will determine whether obtaining TWIC's or providing escorted access is the preferred alternative. To minimize the cost of obtaining TWIC's, Tacoma Power will identify the key personnel and forecast their availability to complete the Task Order. The Port shall be responsible for the payment of all costs of providing escorts for escorted access and the costs incurred by Tacoma Power's personnel in obtaining any necessary TWIC's.

DISPUTE RESOLUTION

- 33) The Parties agree to use their best efforts to resolve disputes arising out of or related to this Agreement at the project manager level using good faith negotiations and engaging in the following dispute escalation process should any such disputes arise:
- a) Level One – the Director of Engineering, who has oversight responsibility for the project, and Tacoma Power's Transmission & Distribution Assistant Manager for Engineering shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within 10 business days after the referral of the dispute to Level One, either Party may refer the dispute to Level Two.
 - b) Level Two – the Port's Chief Facilities Development Officer and Tacoma Power's Transmission & Distribution Manager shall meet to discuss and attempt to resolve the dispute in a timely manner.
 - c) If the Parties are unable to resolve a dispute between them arising out of this Agreement, the Parties will refer the matter to an independent third Party selected by them for resolution. Such referral shall be a condition precedent before any Party resorts to other remedies it may have. At all times prior to resolution of the dispute, the Parties shall continue to perform their respective duties under this Agreement.
 - d) Any litigation arising out of this Agreement shall be filed in the Pierce County Superior Court of the state of Washington.
 - e) In the event of a suit, action, arbitration, or other proceeding of any nature whatsoever is instituted to interpret or enforce any provision of this Agreement, or with respect to any dispute relating to the Agreement, including, without limitation, any action in which a declaration of rights is sought or an action for rescission, the prevailing Party shall be entitled to recover from the non-prevailing Party its reasonable attorneys', paralegals, accountants', and other appraisers' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the judge or arbitrator at trial or arbitration, as the case may be, or on any appeal or review, in addition to all other amounts provided by law.

TERMINATION

- 34) This Agreement may be terminated prior to the termination date in Section 2 by either Party for governmental convenience, which shall not be considered a basis for default, or rescinded by mutual agreement of the Parties, or upon either Party exercising its rights as set forth below:
- a) Remedies upon Default. Except as otherwise provided herein, if a default occurs, the injured Party, at any time after periods set forth for the exercise of rights herein, shall have the following cumulative rights and remedies;
 - b) The injured Party shall be entitled to immediately terminate this Agreement if any default continues for a period of fifteen (15) days after written notice thereof from the injured Party to the defaulting Party, or in the case of such default which cannot with due diligence and in good faith be cured within fifteen (15) days, the defaulting Party fails to proceed promptly after such notice and with due diligence and in good faith, to begin to cure said default; provided, that, in such event proper time to cure may be extended only by written consent of the injured Party; and

- c) The injured Party shall have the right to institute such actions or proceedings as it may deem desirable. Any delay by the injured Party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights, or to deprive it of or limit such rights in any way (it being the intent of this provision that the injured Party should not be constrained because of concepts of waiver, laches or estoppel so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the injured Party with respect to any specific default by the defaulting Party be considered or treated as a waiver of rights with respect to any other defaults by the defaulting Party or with respect to any particular default except to the extent specifically waived.

INDEMNIFICATION

- 35) To the fullest extent permitted by law, each Party (the "Indemnifying Party") shall fully indemnify, defend and hold the other Party, its directors, elected officials, officers, managers, employees, agents, representatives, , and its affiliated companies, (the "Indemnified Party") harmless from and against any and all claims, demands, liability, losses, damage, costs or expenses (including attorneys' fees and other costs of defense), of any nature or kind whatsoever, including, but not limited to, claims, demands and/or liability for personal injury to (including death of) any person whomsoever (including payments and awards made to the Indemnified Party's employees or other under any workers' compensation law or under any plan for employees' disability and death benefits), and for damage to any property whatsoever including the Port's property and Tacoma Power's electrical system arising or growing out of, or caused or occasioned, in whole or in part, by reason of the negligent acts or omissions of the indemnitor, EXCEPT For the sole negligence or intentional wrongdoing of the Indemnified Party its agents or employees. The Parties recognize that they are waiving immunity under Washington Industrial Insurance law, Title 51 RCW solely as to the other Party hereto and further agree that this indemnification clause has been mutually negotiated. This indemnification shall extend to and include attorney's fees and the costs of establishing the right of indemnification hereunder in favor of either Party.

Neither Party nor their employees, agents, representatives, or assigns shall be liable to the other for punitive, or such special, consequential damages such as loss of revenue, income, profit, cost of capital, temporary loss of equipment or services based upon tort, contract or breach of warranty theories. It is agreed and understood that this provision shall not apply to "pass-through" claims for equitable adjustment by any subcontractors retained by the Parties. .

WARRANTY

- 36) Each Party expressly warrants that the design, workmanship and installation services provided herein shall be free from defects and shall be suitable for their intended purpose as stated herein. In the performance of services and purchase of material and equipment under this contract, each Party agrees to exercise the degree of skill and care required by customarily accepted good practices and procedures adopted by contractors and utilities rendering the same or similar type of service. Each Party shall,

at its own expense, correct any services furnished by it or its subcontractors or agents which do not conform to the foregoing standard. However, neither Tacoma Power, the Port nor any of their employees shall be liable for warranty claims based upon professional liability. The Parties do not warrant that portion of its design product that relies on information and/or data supplied by the other Party and/or its assigns.

- 37) Warranties for PRUIRC materials and equipment procured by the Port on behalf of Tacoma Power shall be transferred to Tacoma Power upon installation and acceptance.

INSURANCE

- 38) For each PRUIRC Task Order involving public works, an ISO form Owners and Contractors Protective Liability Policy will be obtained by the contractor naming the City of Tacoma and the Port of Tacoma as named insureds, with policy limits of no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate to be in effect during the Period of the work, providing coverage for bodily injury and property damage arising from the PRUIRC Project. The required insurance coverage shall be primary, non-contributory to the Port or City of Tacoma's existing insurance programs, not subject to any self-insured retained limit of liability in excess of \$100,000, and shall be written on an occurrence basis, not a claims-made basis. This requirement is in addition to the contractor having in place during the term of any construction contract, ISO form Commercial General Liability coverage, with policy limits of \$1,000,000 per occurrence with no less than a \$2,000,000 general aggregate limit.

For each PRUIRC Task Order involving public works, the contractor shall have in place during the term of any PRUIRC contract or Task Order, and provide evidence of, a policy of insurance providing ISO form Business Auto Coverage for bodily injury and property damage arising from the contractor's work on any Project for the Port or City of Tacoma, with policy limits of no less than \$1,000,000 combined single limit of liability, with a general aggregate limit of no less than \$2,000,000, written on an occurrence not a claims-made basis. Coverage shall extend to "owned", "non-owned", and "hired" autos.

For each PRUIRC Task Order requiring design, engineering or other professional services, the consultant or design professional shall obtain and keep in effect during the performance of all work required by the PRUIRC contract, a professional liability policy, with policy limits per event, wrongful act or negligence of no less than \$1,000,000 and subject to a deductible of no more than \$5,000. Unless the professional liability policy is on an "occurrence basis" as opposed to a "claims made" basis, professional liability coverage shall remain in effect for a period of no less than three years after physical completion of the Project designed or for which engineering services had been provided. This professional liability insurance requirement shall not apply to the design professionals who are employees of the Parties.

OWNERSHIP

39) Infrastructure which services only Port-owned facilities, beyond the meter shall be owned by the Port.

MISCELLANEOUS

- 40) **Legal Relations.** It is understood and agreed by the Parties that Tacoma Power is, and shall remain, an independent contractor, under this Agreement and all subsequent PRUIRC Task Orders, and that no relationship of agency, master-servant, or employer-employee shall be created or exist between Tacoma Power and the Port. This Agreement is not intended to and will not constitute, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind between the Parties, and the rights and the obligations of the Parties shall be only those expressly set forth in this Agreement and subsequent PRUIRC Task Orders, except that no Task Order shall conflict with the substantive terms of this Agreement. In the event of conflict, the terms of this Agreement shall prevail.
- 41) **Assignment.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto. Neither Party shall assign this Agreement without the prior written consent of the other Party, and approval in the manner required for this original Agreement.
- 42) **Applicable Law.** The applicable laws of the State of Washington shall govern the validity, interpretation and performance of this Agreement and each of its provisions. Any action at law, suit in equity or judicial proceeding regarding this Agreement or any provisions thereof shall be instituted and maintained only in any of the courts of competent jurisdiction in Pierce County, Washington.
- 43) **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties hereto with reference to the subject matter hereof, and no change or modification as to any of the provisions hereof shall be binding on either Party unless reduced to writing and approved by both parties in the manner required for this original Agreement.
- 44) **Notices.** All notices given pursuant to this Agreement shall be deemed delivered to the respective party on the date that it is personally delivered to the address(es) set forth below, or on the date that it is successfully sent by email transmission to the facsimile number(s) set forth below:

Tacoma Power:

Tacoma, Washington
Attention:
Email:
Port:
PO Box 1837
Tacoma, Washington 98406
Attention:

Email:

45) **Recording.** A copy of this Agreement shall be recorded in the Office of the Pierce County Auditor as provided by law, or shall be posted to each Parties' web site.

46) **Survival.** The provisions of Indemnification Paragraph 35 and Warranty Paragraphs 36 and 37 herein shall survive any termination or expiration of this Agreement.

47) **Third Party Beneficiaries.** This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns and gives no right to any other party.

48) **Severability.** If any provisions of this Agreement are determined to be unenforceable or invalid pursuant to a final decree or judgment by a court of law with jurisdiction, then the remainder of this Agreement not decreed or adjudged unenforceable or invalid shall remain unaffected and in full force and effect to the extent that the primary purpose of this Agreement can be preserved.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Tacoma Power and the Port have caused this ILA to be executed by their respective authorized officials.

TACOMA POWER

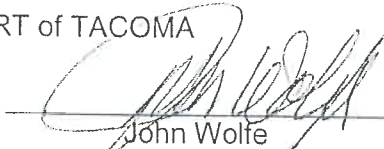
By:



William A. Gaines
Utilities Director / CEO

PORT of TACOMA

By:



John Wolfe
Chief Executive Officer

1-29-16
Date

Date:

By:

for 

Chris Robinson
Power Superintendent / COO

Date:

2-11-16

Approved as to form:

By:

TPU Legal

Date:

Received:

Finance _____
Approval _____

EXHIBIT A - PRUIRC TASK ORDER OUTLINE

PROJECT NAME: _____
Port of Tacoma Project Number: _____

The general provisions and clauses of the Agreement for The Administration of PRUIRC Engineering, Procurement and Construction shall be in full force and effect for this Task Order. The agreed to scope, schedule and cost for this PRUIRC Task Order is as noted below and as attached and referenced herein.

PROJECT SCOPE:

Provide details of all tasks that are required to complete the scope of work. Include tasks for planning, engineering, procurement, construction and inspection as required. Scope should include cost of each task including labor hours and cost, material costs, expenses, etc.

DELIVERABLES:

Provide list of all deliverables.

SCHEDULE:

Provide detailed schedule including all deliverables and major milestone activities.

ASSUMPTIONS:

Provide all assumptions.

CLARIFICATIONS:

Provide all clarifications.

STAFF RATES:

Provide rates for all staff levels by job classification working on project.

MATERIALS:

Identify new and/or existing materials or equipment required for the scope of work. Include details on whether they will be salvaged, recycled, and/or if the Port shall receive any salvage value.

Substation		Line					
Substation	TPWR	Transmission	TPWR				
Protection & Control	TPWR	Distribution	TPWR				
Communications (inside Sub)	TPWR	Civil	TPWR				
Civil – Geo-Tech & Site Work	PoT	Data / Communications	TPWR				
Civil – Foundation & Structure	TPWR	New Service	TPWR				
Engineering	Civil – Geo-Tech Stabilization and Sub-grade	Underground	Civil – Conduit & Vault purchase and installation	PoT			
			110kV Transmission	PoT			
			15kV Distribution*	PoT			
			Cable Purchase	TPWR			
			Installation ¹ , termination ³ , & testing ²	TPWR			
Construction	Civil – Survey, Final Grading, Drainage, Grounding ¹ , Foundations, Conduits ¹ , Structures, Fencing, & Landscaping	Overhead	Cable Purchase	TPWR			
			Installation ¹ , termination ¹ , & testing ²	TPWR			
			Cable Purchase	TPWR			
			Installation, termination, & testing	TPWR			
			Wire and Wood Pole Purchase	TPWR			
			Steel Pole and Foundation Purchase & Installation ¹	PoT			
			110kV Transmission*	Lines that include Steel Poles & Poles > 90 ft, including wire stringing ¹	TPWR		
			15kV Distribution*	Lines that consist only of wood poles < 90 ft including wire stringing	TPWR		
			Electrical Equipment, Bus, & wiring purchase and installation, Commissioning	TPWR	Data / Communications	Normal Distribution Lines.	TPWR
						Under-build on Transmission lines	TPWR
Cable Purchase	TPWR						
Installation, termination, & testing			TPWR				

TPWR = Tacoma Power, PoT = Port of Tacoma

* Individual segments of work will be assigned per task order.

¹ The installation of electrical utility infrastructure will be performed by a Tacoma Power or a Pre-Qualified Electrical Contractor per RCW 35.92.350

² Testing Method and Contractor to be as Approved by Tacoma Power

³ Cable Manufacturer Supplied Labor or Approved Contractor

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No. 4B
Date of Meeting February 6, 2018

DATE: January 18, 2018
TO: Managing Members, The Northwest Seaport Alliance
FROM: John Wolfe, Chief Executive Officer
Sponsor: Andre Elmaleh, Sr. Manager, Business Development, Non-Container
Project Manager: Carol Rhodes, Engineering Senior Project Manager
SUBJECT: Parcel 77 Auto Import Terminal

A. ACTIONS REQUESTED

DUAL VOTE: NWSA / PORT OF SEATTLE / PORT OF TACOMA:

1. *As referenced in NWSA Resolution No. 2016-04, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.*

Request project authorization in the amount \$33,834,500, for a total authorized amount not to exceed \$35,000,000, for work associated with the Parcel 77 Auto Import Terminal project, Master Identification No. 201020.01 and Master Identification No. 201043.01.

2. Project funding in the amount of \$33,834,500 (\$16,917,250 from each Port) for a total authorized amount of \$35,000,000 for work associated with the Parcel 77 Auto Import Terminal Project, Master Identification No. (MID) 201020.01 and Master Identification No. 201043.01.

B. SYNOPSIS

This request supports the continued diversification of cargo moving through the Pacific Northwest. This investment will commit the current vacant, former Kaiser Aluminum Facility, property to a long-term use. This request is to complete design and construction of an automobile import terminal on this property and relocate the EB1 customer services building from the property to be developed.

C. BACKGROUND

In support of the NWSA Strategic Business Plan, Goal 3A1, the Parcel 77 Auto Terminal Development project will facilitate new business opportunities for the autos Line of Business.

This project will return approximately 90 acres of unused Port of Tacoma property to support water dependent, maritime commercial business use and economic development in the region.

NWSA is currently under negotiations for a long-term lease with Wallenius Wilhelmsen Logistics (WWL) for this property. WWL is a current NWSA customer and this auto terminal would be an expansion of their existing business with NWSA.

In November 2017, Managing Members authorized \$1,000,000 of design funds to further develop the design of an auto terminal to increase certainty of the capital investment requirement prior to reaching a long-term agreement. In April 2017, the Port developed a 15% site design for a terminal to receive, process and ship finished automobiles. The property will include buildings for an auto processing facility and support activities that will be financed, designed and constructed directly by WWL. The new intermodal rail facility will connect to existing Tacoma Rail infrastructure on Taylor Way to the east, and Alexander Avenue to the west.

D. PROJECT DETAILS

Scope of Project:

The scope of the project includes development and construction of utilities and surface improvements for the storage and processing of autos, rail infrastructure, truck loading and security. Project elements include:

- Building demolition and relocation of EB1 customer service facilities on the property
- Surface improvements including grading, Hot Mix Asphalt (HMA) pavement and pavement striping and marking
- Stormwater conveyance and treatment systems
- New outfall to the Blair Waterway
- Temporary pump station pending new outfall permitting and construction
- Railway track work and special track work
- Site utilities for the buildings (by others) including power, gas, water and sanitary sewer
- Site lighting, fencing, gates and security
- Project mitigation required per SEPA

Scope of Work for This Request:

- Project management and coordination
- Final design
- Construction permitting
- Construction
- Construction management services

Schedule

Submit for permits	February 2018
Early material procurement	February 2018
Construction bid advertisement	April 2018
Relocation of EB1 Customer Service	May 2018
Start of Construction	June 2018
Partial Substantial Completion/Operating Terminal	December 15, 2018
Final Completion	June 2019

E. FINANCIAL SUMMARY

Estimated Cost of Project

The total project cost including all stages is \$35,000,000. In addition to the described project, the tenant will construct buildings at their cost.

Estimated Cost for This Request

The total estimated cost of the project is \$35,000,000. If the cost of this estimate is anticipated to exceed the authorized amount the Managing Members authorization will be requested to expend those funds.

Estimated Sales Tax

The total sales tax to be paid to local and state governments for this project including total construction is estimated at \$2,757,000.

Cost Details

Project Cost Details

	This Request	Total Project Cost	Cost To Date	Remaining Cost
Design	\$497,200	\$1,662,700	\$410,154	\$1,252,546
Construction	\$33,337,300	\$33,337,300	\$0	\$33,337,300
Total	\$ 33,834,500	\$ 35,000,000	\$410,154	\$34,589,846

Source of Funds

The current Capital Investment Plan (CIP) allocates \$1,205,000 for these projects. With this authorization, the CIP will be updated to reflect the additional \$33,795,000 for a total project authorization of \$35,000,000.

Financial Impact

Project costs will be capitalized and depreciated over an estimated 20-year period resulting in annual depreciation of \$1,750,000. If the project does not proceed to construction then the design costs will be expensed. The financial results are expected to meet or exceed the NWSA standard financial requirements.

F. ECONOMIC INVESTMENT/JOB CREATION

Once opened, the auto facility will create an additional 107 Full Time Equivalent (FTE) jobs. This is in addition to the 61 already created at the East Blair One (EB-1) terminal in support of the WWL Ocean Breakbulk Business.

G. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Beginning in 2003, the Port of Tacoma has actively marketed this site and explored a variety of alternative uses. Preparing the site for autos and breakbulk will facilitate the growth of an existing customer and create the opportunity to grow Port/NWSA revenues while diversifying non-containerized cargos.

WWL accomplished its own alternatives analysis, which identified and evaluated multiple alternative port locations along the west coast of North America. WWL has selected the Port of Tacoma Parcel 77 property (former Kaiser site) as its preferred location.

H. ENVIRONMENTAL IMPACTS/REVIEW

Permitting:

Environmental review (SEPA) will be conducted and all appropriate environmental permits will be obtained prior to construction. Environmental permits will include a City of Tacoma (COT) shoreline substantial development permit with critical areas review, and if in-water work is necessary, a COT conditional use permit, an U.S. Army Corps of Engineers Section 10/404 permit, Washington State Department of Ecology Water Quality Certification (WQC) and

Coastal Zone Management (CZM) federal consistency certification, and a Washington Department of Fish and Wildlife hydraulic project approval (HPA).

Remediation:

The Department of Defense and Kaiser Aluminum Company (Kaiser) ran an aluminum smelter and manufacturing plant at the premises for more than 60 years. Due to years of aluminum smelting, hazardous substances were released to soil and groundwater. The Port did most of the cleanup work through several partial cleanups called interim actions. Now, the most important cleanup tasks are monitoring and preventing accidental release of any of the contaminants still on site.

In 2016, the Port entered into a consent decree for implementation of the cleanup plan. Since some contaminated soil is still on site under caps, the cleanup plan includes two protocols to prevent accidental contamination release. A material management plan gives instructions to future developers who could disturb the ground during activities like pile driving or moving soil. An environmental covenant has also been recoded that prohibits activities that could release contamination and only allows industrial use of the premises. This auto terminal development project is not expected to disturb remnant soil contamination in the capped areas.

Water Quality:

The site will incorporate new stormwater collection, conveyance, and enhanced treatment infrastructure per the Port of Tacoma's Municipal Stormwater Permit (MS4) requirements. The site will incorporate oil water separators and additional enhanced treatment. The project will make reasonable efforts to source non-galvanized building materials, in order to reduce the potential of discharging zinc or other metals into receiving waters. The tenant will obtain and manage their own industrial stormwater general permit.

Air Quality:

The main air quality impacts will be during operations, conveying automobiles from the ship to the site for continued shipment on rail. Exact air quality impacts will be measured as part of the SEPA process.

I. RISKS

Risks to this project include:

- **Schedule:** The project has an aggressive accelerated schedule. Permitting approvals may delay the project into winter weather.

J. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
December 1, 2017	Executive Authorization – EB1 Customer Service Conceptual Design	\$39,492
November 6, 2017	Commission Authorization – Design	1,000,000
April 19, 2017	Executive Authorization – Design	\$47,000
June 22, 2017	Executive Authorization – Design	\$58,500
October 6, 2017	Executive Authorization – Design	\$60,000
TOTAL		\$1,204,992

K. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation

L. NEXT STEPS

Complete final design

Incorporate permit requirements

Complete project construction.



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

Item No.: 4B_Supp
Date of Meeting: February 6, 2018

**PROJECT
AUTHORIZATION FOR
PARCEL 77 AUTO IMPORT
TERMINAL**



NORTHWEST
PORT ALLIANCE

Project Authorization Parcel 77 Auto Import Terminal

As referenced in NWSA Resolution No. 2016-04, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.

Request project authorization in the amount \$33,834,500 for a total authorized amount not to exceed \$35,000,000, for the Parcel 77 Import Terminal project, Master Identification No. 201020.01 and Master Identification No. 201043.01.

Request project funding in the amount of \$33,834,500 (\$16,917,250 from each Port) for a total authorized amount of \$35,000,000 for work associated with the Parcel 77 Auto Import Terminal, MID 201020.01 and Master Identification No. 201043.01.



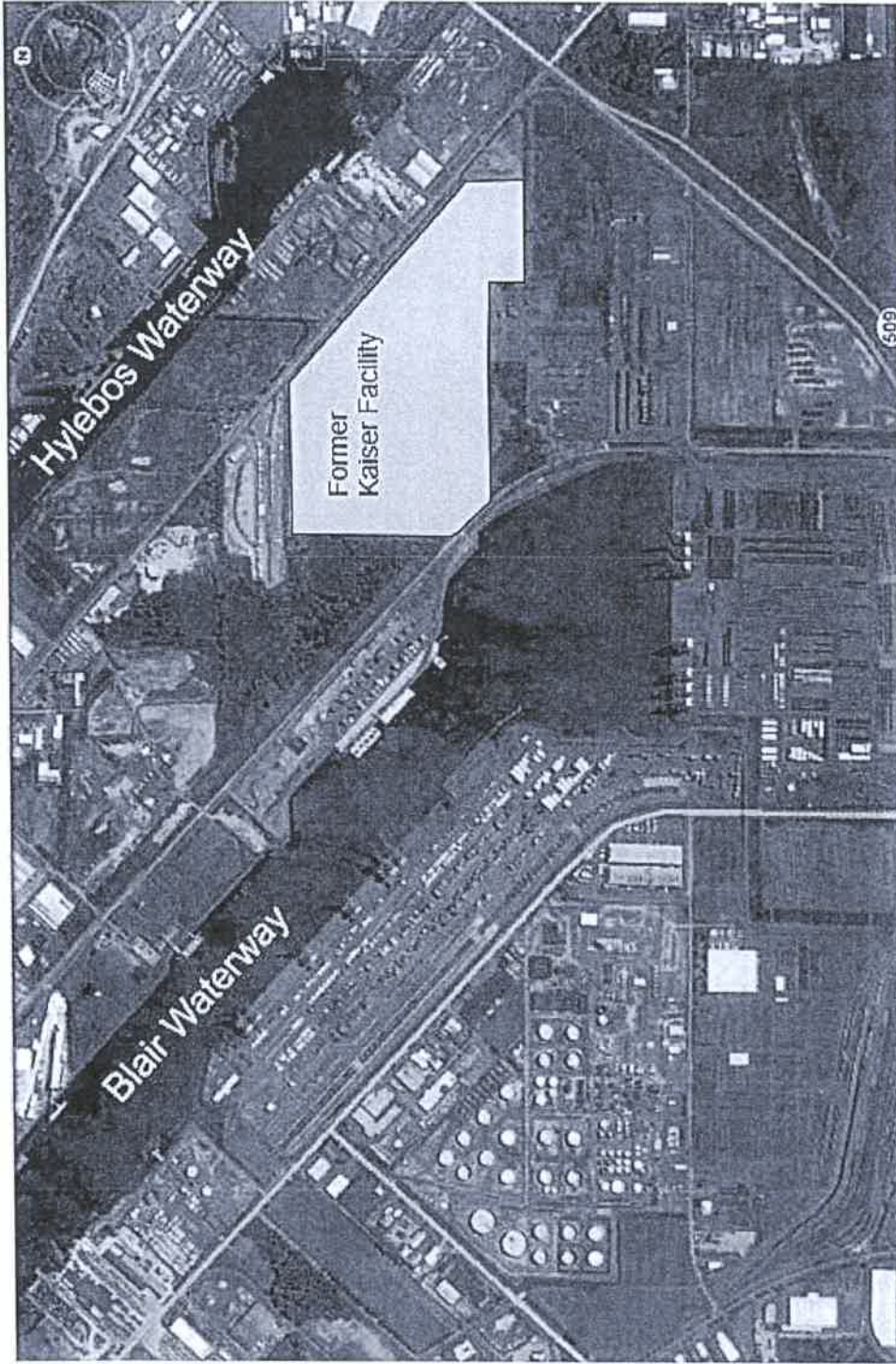
THE NORTHWEST
SEAPORT ALLIANCE

Background

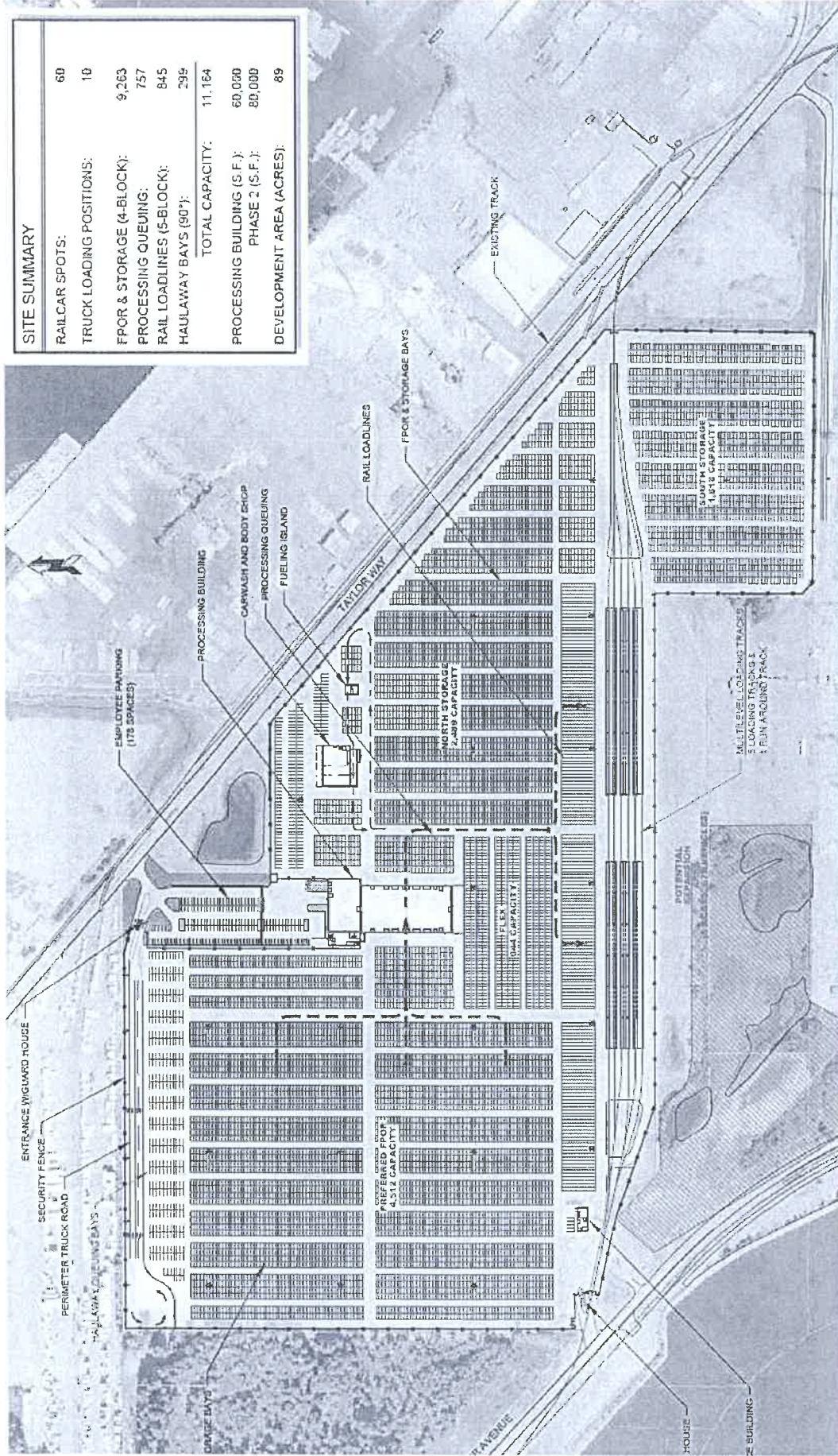
Parcel 77 Auto Import Terminal

- In November of 2017, the Commission authorized \$1,000,000 of additional funds to further develop the design to increase certainty in the capital investment requirements.
- In April of 2017, the Port developed a 15% site design for an auto terminal with the capacity to stage 12,000 autos and 5 rail tracks to accommodate 60 railcar spots.
- The property will include an auto processing and support buildings that will be financed, designed and constructed directly by WWL.
- The new intermodal rail facility will connect to existing Tacoma Rail infrastructure on Taylor Way to the east and Alexander Avenue to the west.
- This request is to complete the development including design and construction.





Conceptual Drawing



SITE SUMMARY	
RAILCAR SPOTS:	60
TRUCK LOADING POSITIONS:	10
FPOR & STORAGE (4-BLOCK):	9,263
PROCESSING QUEUING:	757
RAIL LOADLINES (5-BLOCK):	845
HAULWAY BAYS (90°):	299
TOTAL CAPACITY:	11,184
PROCESSING BUILDING (S.F.):	60,000
PHASE 2 (S.F.):	80,000
DEVELOPMENT AREA (ACRES):	89

Project Description and Details

Parcel 77 Auto Import Terminal

The scope of the project includes surface improvements for the storage and processing of autos, rail infrastructure, truck loading and security.

- Building demolition and relocation of East Blair-1 customer service facilities
- Surface improvements including grading, Hot Mix Asphalt (HMA) pavement and pavement striping and marking
- Stormwater conveyance and treatment systems
- New outfall to the Blair Waterway
- Temporary pump station pending new outfall permitting and construction
- Railway track work and special track work
- Site utilities for the buildings (by others) including power, gas, water and sanitary sewer
- Site lighting, fencing, gates and security.



Project Description and Details

Parcel 77 Auto Import Terminal

- **Scope of Work for This Request:**
 - Project management and coordination
 - Completion of design and permitting
 - Construction
 - Construction management



Project Schedule

Parcel 77 Auto Import Terminal

Submit construction permits	February 2018
Procurement of long lead items	February 2018
Bid advertisement	April 2018
Relocate EB1 Customer Service	May 2018
Start construction	June 2018
Partial completion/Operations	Dec. 15, 2018



Source of Funds Parcel 77 Auto Import Terminal

- The total estimated cost of the Project is \$35,000,000.
- The Capital Investment Plan (CIP) allocates \$1,165,000 for this project.



Financial Summary

Parcel 77 Auto Import Terminal

Item	Budget Estimate	Cost to Date	Remaining Cost
DESIGN	\$1,662,700	\$410,154	\$1,252,546
CONSTRUCTION	\$33,337,300	\$0	\$33,337,300
PROJECT TOTAL	\$35,000,000	\$410,154	\$34,589,846



Economic Investment/Job Creation Parcel 77 Auto Import Terminal

- Once opened the auto facility will create an additional 107 Full Time Equivalent (FTE) jobs. This is in addition to the 61 already created at the East Blair-1 terminal in support of the WWL Ocean High and Heavy Business.
- Wallenius Wilhelmsen Logistics (WWL) plans to invest approximately \$12,000,000 in auto processing and other support buildings.



Conclusion

Parcel 77 Auto Import Terminal

DUAL VOTE: NWSA / PORT OF SEATTLE / PORT OF TACOMA

Request project authorization in the amount \$33,834,500 for a total authorized amount not to exceed \$35,000,000, for the Parcel 77 Import Terminal project, Master Identification No. 201020.01 and Master Identification No. 201043.01.

Request project funding in the amount of \$33,834,500 (\$16,917,250 from each Port) for a total authorized amount of \$35,000,000 for work associated with the Parcel 77 Auto Import Terminal, MID 201020.01 and Master Identification No. 201043.01.



Conclusion

Parcel 77 Auto Import Terminal

Potential Alternative Action

VOTE: PORT OF TACOMA only

Request project authorization in the amount \$33,834,500 for a total authorized amount not to exceed \$35,000,000, for the Parcel 77 Import Terminal project, Master Identification No. 201020.01 and Master Identification No. 201043.01.

Request project funding in the amount of \$33,834,500 for a total authorized amount of \$35,000,000 for work associated with the Parcel 77 Auto Import Terminal, MID 201020.01 and Master Identification No. 201043.01.



NORTHWEST
PORT ALLIANCE



RESOLUTION NO. U-11012

1
2 A RESOLUTION concerning surplus utility equipment; declaring utility
3 equipment surplus to the needs of Tacoma Water; conducting a public
4 hearing on the proposed sale of the surplus utility equipment; and
5 authorizing Tacoma Water 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, Water
8 Division (d.b.a. "Tacoma Water"), originally acquired for public utility purposes,
9 the Green River Filtration Facility pilot plant trailer and its contents, listed on the
10 Declaration of Surplus Property and attached inventory in the background
11 materials on file with the Clerk of the Board, and

12 WHEREAS the Green River Filtration Facility pilot plant trailer and its
13 contents were used to obtain approval of the design of the Green River
14 Filtration Facility and that facility has been approved and is operating, so the
15 pilot plant trailer is no longer needed; and

16 WHEREAS Tacoma Water has determined that the equipment listed on
17 the Declaration of Surplus Property and attached inventory is no longer
18 necessary for providing continued public utility service due to age, reliability and
19 damage, and is deemed surplus to Tacoma Water's needs pursuant to
20 RCW 35.94.040 and TMC 1.06.272-278, and

21 WHEREAS the equipment's estimated value is \$2,000, and

22 WHEREAS a public hearing was conducted on June 13, 2018, as
23 required by RCW 35.94.040, and

24 WHEREAS Tacoma Water requests that the Utility Board, pursuant to
25 the requirements of RCW 35.94.040 and TMC 1.06.272-278, declare the Green
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River Filtration Facility pilot plant trailer and attached inventory surplus to Tacoma Water's needs and authorize Tacoma Water to sell the equipment 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 and attached inventory are no longer necessary for providing continued public utility service, and is hereby declared surplus to Tacoma Water's needs.

Sec. 2. Tacoma Water is hereby authorized to sell the Green River Filtration Facility pilot plant trailer and attached inventory at a bid sale(s) to the highest responsive bidder(s), and should the equipment not be acquired at sale(s), Tacoma Water is authorized to otherwise dispose of the equipment in Tacoma Water's best interests.

Sec. 3. If a bid for the Green River Filtration Facility pilot plant trailer and attached inventory is higher than \$200,000, then the highest bid over \$200,000 for that lot will be brought by Tacoma Water to the Board for formal approval of the sale.

Approved as to form and legality: _____
Chair



Chief Deputy City Attorney Secretary

Clerk Adopted _____

of June 13, 2018

REQUEST FOR RESOLUTION

Date: May 9, 2018

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 Green River Filtration Facility pilot plant trailer and attached inventory 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 bidder.

3. Summarized reason for resolution:

The Green River Filtration Facility pilot plant trailer was used to pilot test filtration of Green River water and gain Washington State Department of Health approval for the design of the Green River Filtration Facility. Now that the Green River Filtration Facility is operating, the pilot plant trailer is no longer needed. The utility has determined the Green River Filtration Facility pilot plant trailer and the equipment identified on the attached inventory is surplus to its needs. 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:

- Declaration of Surplus Property
- Memo to Director
- Inventory and photos of pilot plant trailer

5. Funds available Proposed action has no budgetary impact

6. Deviations requiring special waivers: None

Originated by:



Craig Downs
Water Quality Manager

Requested by:



Scott Dewhirst
Water Superintendent

Approved:



Linda McCrea
Interim Director of Utilities/CEO



Date: May 9, 2018

To: Linda McCrea, Interim Director of Utilities/CEO

From: Scott Dewhirst, Water Superintendent

Subject: Request for Authorization to Surplus Green River Filtration Facility Pilot Plant Trailer

RECOMMENDATION: Tacoma Water recommends the Green River Filtration Facility pilot plant trailer and its contents be declared surplus to Tacoma Water needs. It is further recommended that 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, it is recommended that Tacoma Water 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 \$200,000.00.

EXPLANATION: The Green River Filtration Facility pilot plant was used to pilot test filtration of Green River water from 2009 to 2012. Based on the results of the pilot testing, the Washington State Department of Health approved Tacoma Water's design for the Green River Filtration Facility, which is now in operation. The items to be surplused include a semi trailer and its associated contents. The trailer and primary components were purchased from Seattle Public Utilities in 2004. The equipment to be surplused has a unique purpose and a limited set of potential users. For the past six years, Tacoma Water has approached various utilities and consultants about purchasing the equipment for use as a pilot plant, but there has been no interest to date. The trailer and primary components are over twenty years old and no longer meet current design practices. Tacoma Water desires to remove the trailer from our site; if there are no interested purchasers, we may need to pay for its removal and disposal. 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. Photos and an inventory summary are attached. The majority of the treatment components have been removed, but the trailer still contains electrical and plumbing, heating and ventilation, and laboratory cabinets.

COMPETITIVE SOLICITATION: The attached photos and inventory summary will be advertised according to Purchasing Division policies. Sale of the equipment will be awarded to the highest responsive bidder.

PROJECT ENGINEER/COORDINATOR: Kim DeFolo, Water Quality, 253-396-3087.

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

Approved:



SD
Scott Dewhirst
Water Superintendent

Approved:



Linda McCrea
Interim Director of Utilities/CEO



City of Tacoma

Declaration of Surplus Property (DSP)

To: Purchasing Division **Date:** May 9, 2018
From: Tacoma Water
Contact Name: Kim DeFolo **Phone:** 253-396-3087

- 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: Drinking water filter pilot plant/semi trailer Fixed Asset # _____
 Address/Location of Items: Green River Filtration Facility Accounting (for costs/proceeds): _____
 Estimated Commercial or Resale Value: \$2,000.00 Cost Center: 583100
 Minimum Acceptable Bid: \$0 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.

[Signature] MAY 22, 2018
 Department/Division Head Signature Date
[Signature]
 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:

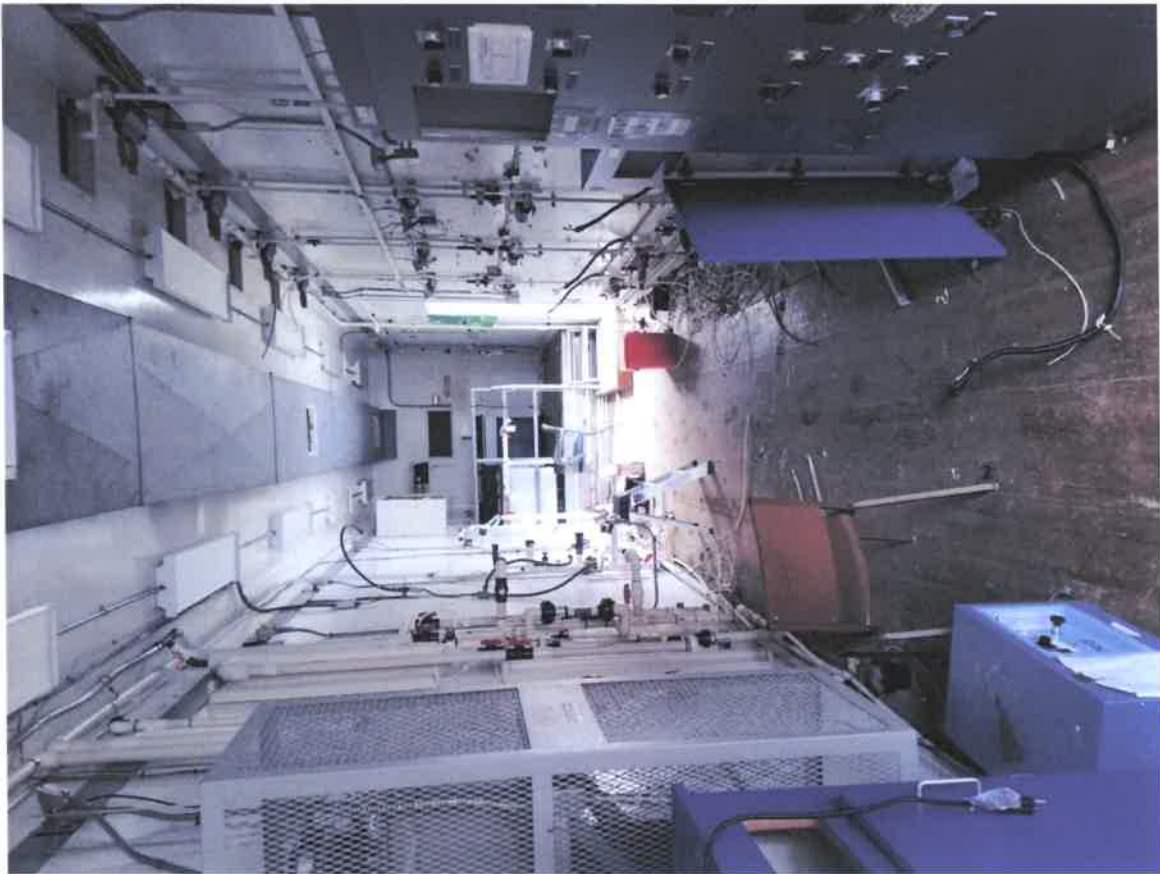
 Procurement and Payables Manager Date

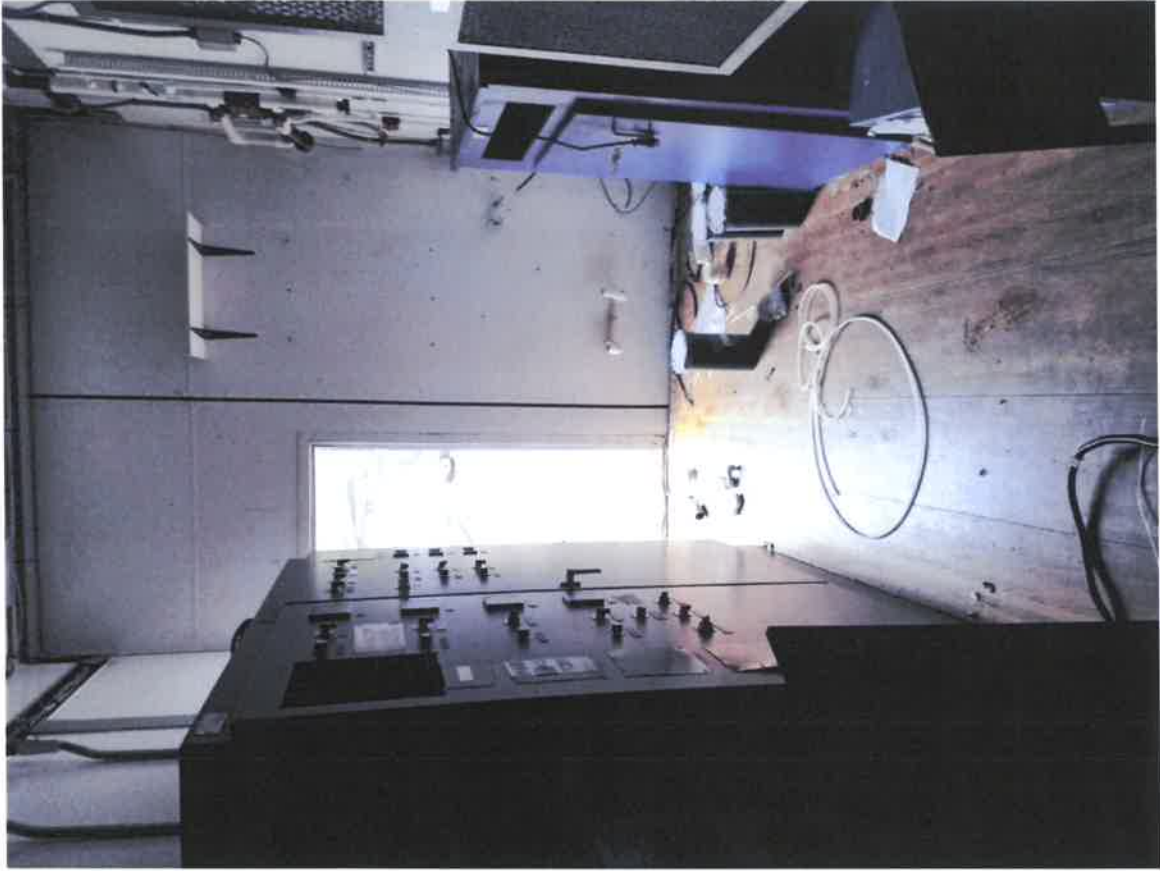
Green River Filtration Facility Pilot Plant

- Trailer
 - Great Dane
 - 1992
 - 45' L x 8' W x 12' H
 - VIN 1GRAA9617NB009401
- Electrical and lighting
- Heating and ventilation
- Laboratory
 - Cabinets
 - Desk
 - Sink and plumbing
 - Stairs and rails











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RESOLUTION NO. U-11013

A RESOLUTION related to Tacoma Water; authorizing participation in a City of Tacoma, Department of Environmental Services, Bennett Street Pervious Pavement Project.

WHEREAS the City of Tacoma, Department of Public Utilities, Water Distribution Engineering Division ("Tacoma Water"), is requesting authorization to participate in the City of Tacoma, Environmental Services Department, Science and Engineering Division ("Environmental Services"), Bennett Street Pervious Pavement Project, and

WHEREAS Tacoma's Environmental Services plans to improve the existing roadway along North Bennett Street, from North 35th Street to North 37th Street, as part of a Local Improvement District ("LID"), and

WHEREAS, as part of the project, Tacoma Water plans to construct approximately 745 linear feet of new ductile iron water main and appurtenances along the project extents, with construction commencing in June 2018, and

WHEREAS Tacoma Water believes it is in the best interest of the utility and its customers to include the water main and appurtenances work in the Environmental Services contract, and

WHEREAS project partnership will improve project delivery, reduce projected costs, mitigate future risks, and minimize construction disturbance to the general public, and



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WHEREAS Tacoma Water's estimated project cost is \$160,326, plus a 15 percent contingency, plus a partner contribution of \$15,824.71, for a cumulative total of \$200,199.61, excluding applicable taxes, and

WHEREAS funding for this project is available from the 2010 Water Bond Fund, and

WHEREAS Tacoma Water requests authority to participate in the Environmental Services contract for the above purpose and reasons; Now, Therefore,

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

That Tacoma Water is authorized to participate in the Environmental Services' contract, for the Bennett Street Pervious Pavement Project, to allow for the replacement of the construction of approximately 745 linear feet of new ductile iron water main and appurtenances along the project extents of North Bennett Street, from North 35th Street to North 37th Street, with an estimated project cost of \$160,326, plus a 15 percent contingency, plus a partner contribution of \$15,824.71, for a cumulative total of \$200,199.61, excluding applicable taxes, with funding for this project available from the 2010 Water Bond Fund, and the proper officers of the City are authorized to execute any necessary agreement in a form as approved by the City Attorney.

Approved as to form and legality: _____
Chair
Tom C. Merrill

Chief Deputy City Attorney Secretary

Clerk Adopted _____

of June 12, 2018

REQUEST FOR RESOLUTION

Date: June 1, 2018

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 Tacoma Water to participate in the City of Tacoma Department of Environmental Services Bennett Street Pervious Pavement Project.

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

Tacoma Water Distribution Engineering requests authorization to participate with Environmental Services, Science and Engineering Division, in the Bennett Street Pervious Pavement Project. Tacoma Water's estimated project cost is \$160,326.00, plus a 15 percent contingency, plus a partner contribution of \$15,824.71, for a cumulative total of \$200,199.61, excluding applicable taxes. Partner contribution costs are associated with construction items shared between departments like project administration, permits, health and safety plans, etc. As part of the project, Tacoma Water proposes to construct approximately 745 linear feet of new ductile iron water main and appurtenances along North Bennett Street, from South 35th Street to South 37th Street.

3. Summarized reason for resolution:

Environmental Services is proposing to improve the existing roadway along North Bennett Street, from North 35th Street to North 37th Street, as part of a Local Improvement District ("LID"). Due to recent residential development, existing access issues related to emergency vehicles, and community outreach, a permeable pavement LID project was selected as the preferred option. As part of the project, Tacoma Water plans to construct approximately 745 linear feet of new ductile iron water main and appurtenances along the project extents. Construction is anticipated to commence in June 2018.

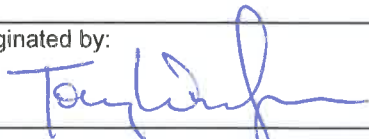
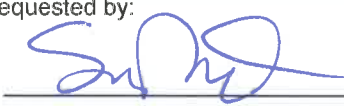

Tacoma Water believes it is in the best interest of the utility and its customers to include the water main work in the Environmental Services contract. Project partnership will improve project delivery, reduce project costs, mitigate future risks, and consolidate construction disturbance to the general public.

4. Attachments:

- a. Project Authorization Memorandum
- b. Project Joint Agreement

5. Funds available Proposed action has no budgetary impact

6. Deviations requiring special waivers: None

<p>Originated by:</p>  <p>Section Head</p>	<p>Requested by:</p>  <p>Division Head</p>	<p>Approved:</p>  <p>Director of Utilities</p>
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DATE: May 24, 2018

TO: Tony Lindgren, P.E., Distribution Engineering Manager, Tacoma Water
Geoffrey M. Smyth, P.E., Division Manager,
Environmental Services Department, Science & Engineering

FROM: Ali Polda, P.E., Tacoma Water Distribution Engineering *AP*
Jessica Knickerbocker, P.E.,
Environmental Services Department, Science & Engineering

SUBJECT: Agreement for Joint Tacoma Water – Environmental Services Project
Bennett Street Pervious Project, Specification No. ES18-0120F
MRP 2015-25 North Bennett Street, from North 35th Street to North 37th
Street

The City of Tacoma, Department of Public Utilities, Water Division (“Tacoma Water”) and the City of Tacoma, Environmental Services Department (“Environmental Services”) have been working to develop plans and specifications for the Bennett Street Pervious Project. The project is anticipated to start construction in June of 2018.

Our respective organizations believe a coordinated effort to replace the storm pipe and water mains under a single City of Tacoma contract will result in efficiency and cost savings to all parties. Additionally, a joint project will minimize construction disturbance to the local residences. The following summarizes the arrangements, assumptions, and action items necessary to move forward with this project:

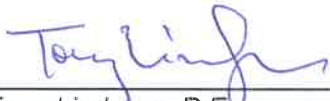
- Environmental Services will be responsible for coordinating the compilation of the overall project contract plans and specifications.
- Environmental Services will administer the construction contract. Environmental Services will charge Tacoma Water for the additional incremental contract administration time associated with Environmental Services work. This is consistent with the method by which contract management and overhead costs addressed on previous Environmental Services – Tacoma Water projects. The estimated cost for the Tacoma Water portion of the construction administration is \$4,548.08 which is 3 percent of the lowest responsible bidder’s water base bid plus the shared item costs (described below). Tacoma Water will provide payment amount via journal entry at the completion of the project.
- Environmental Services will act as the overall contract construction inspection lead. Tacoma Water will be responsible for the daily inspection of the water main construction. Tacoma Water and Environmental Services inspections will be a cooperative and coordinated effort.

- Both Departments have agreed to share equally (50 percent each) the costs associated with the following bid items. Tacoma Water will provide payment amount via journal entry at the completion of the project.

Bid Item		Base Bid
A100	SPCC Plan	\$500.00
A115	Site Health and Safety Plan	\$4,500.00
A116	Site Health and Safety Officer	\$1,500.00
A117	Soil Management Plan	\$1,500.00
A141	Stormwater Pollution Prevention Plan (SWPPP)	\$1,500.00
A144	NPDES Construction Stormwater General Permit	\$5,000.00
A145	Inlet Protection	\$528.00
Sub-total		\$15,028.00
Tacoma Water Contribution		\$7,514.00

- Environmental Services will be responsible for the costs associated with clearing, grubbing, and removing the top one-foot of existing contaminated soil along the project extents (Bid Item A104). Tacoma Water's contribution to this bid item is half the costs associated with clearing, grubbing, and removing the top one-foot of existing contaminated soil along the water main trench. Tacoma Water's estimated cost is \$3,762.63.
- Tacoma Water will be responsible for the cost of water main work, pavement removal and temporary restoration, trench excavation, trench backfill and compaction to subgrade elevation, and other appurtenant items directly related to the installation of the water main. These costs have been separated within the contract bid proposal.
- Tacoma Water will be included and fully involved in the initiation, discussion, and review of any addendums, review of submittals in eBuilder, revisions, change orders, or change of scope pertaining to the water main work. Any addendums, revisions, change orders, or change of scope pertaining to the water main scope of work shall be subject to the approval of Tacoma Water.
- Tacoma Water will perform all water main construction staking.
- This agreement is dependent on Tacoma Water ability to obtain authorization to participate in this project from the Director of Utilities. Tacoma Water will request authorization as soon as possible following determination of the lowest responsible bidder.

We look forward to continuing our spirit of coordination and cooperation to accomplish this and future projects of mutual benefit to the citizens of Tacoma, the Environmental Services, and Tacoma Water. By signature, please indicate your approval to proceed with this joint project in an estimated total contribution of \$15,824.71.



Tony Lindgren, P.E.
Distribution Engineering Manager, Tacoma Water

5.31.18

Date

Geoffrey M. Smyth, P.E.
Environmental Services Division Manager

Date

cc: Ryan Flynn, Tacoma Water
Erik Ward, Environmental Services, Science & Engineering

Ap;td



RESOLUTION NO. U-11014

1 A RESOLUTION related to Tacoma Water; authorizing a negotiated sale
2 of surplus real property to Ngoun Chum.

3 WHEREAS the City of Tacoma, Department of Public Utilities, Water
4 Division (d.b.a. "Tacoma Water"), declared surplus in 2002 a parcel of land
5 (approximately 2.16 acres) that was part of the acquisition of the South East
6 Tacoma Mutual Water Company, and

7 WHEREAS Tacoma Water has negotiated to sell the surplus property to
8 Mr. Ngoun Chum, pending Public Utility Board and City Council approval, in the
9 amount of \$200,000; Now, Therefore,

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

11 Sec. 1. That the negotiated sale of approximately 2.16 acres of property,
12 located at 8002 Golden Given Road East, in unincorporated Pierce County,
13 Washington, as more fully described in the documents on file with the Clerk of
14 the Board, to Ngoun Chum, in exchange for payment of \$200,000, is hereby
15 approved.
16

17 Sec 2. That the City Council is requested to hold a public hearing on this
18 matter pursuant to RCW 35.94.040, and thereafter approve this recommended
19 negotiated sale and authorize the proper officers of the City of Tacoma to
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execute all documents necessary to perfect the sale, substantially in the same form as on file with the Clerk of the Board and approved by the City Attorney.

Approved as to form and legality:

_____ Chair

[Signature]

Chief Deputy City Attorney

_____ Secretary

_____ Clerk

Adopted _____

of June 13, 2018

REQUEST FOR RESOLUTION

Date: June 1, 2018

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 the sale of approximately 2.16 acres of Tacoma Water property to Ngoun Chum for \$200,000.

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

Authorize the sale of approximately 2.16 acres (or approximately 94,020 SF) of Tacoma Water property, identified as Pierce County Assessor Tax Parcel No. 9690000301, located at 8002 Golden Given Road E, in unincorporated Pierce County, to Ngoun Chum. Consideration for the sale is \$200,000.

3. Summarized reason for resolution:

This parcel was part of Tacoma Water's 2002 acquisition of the South East Tacoma Mutual Water Company ("SET Mutual"). The site has remained vacant since that time. The property is zoned SF, Single Family residential, as part of the Parkland-Spanaway-Midland Communities Plan by Pierce County. As the property was not essential to Tacoma Water's needs, it was declared surplus in 2002. In April 2016 the property was offered for sale via a sealed-bid process. Although it had been advertised with a minimum bid set at the appraised value of \$260,000, no bids were received. The property has been continuously advertised on the City's surplus website, and it was listed with a real estate broker and signage placed on site in January 2017. Although there have been multiple inquiries, no other party made an offer, with uniform feedback that the listing price was too high, due primarily to off-site development costs such as utility extensions and road improvements. The parties have agreed to a consideration to Tacoma Water of \$200,000, which we believe reflects the current fair market value of the property.

Tacoma Water has accepted an offer from Mr. Ngoun Chum for \$200,000. Mr. Chum intends to develop the property with one or more single family residences. The offer is subject to both Public Utility Board and City Council approval and a Public Hearing.

The terms and conditions of the purchase and sale agreement have been reviewed by the City Attorney's Office and approved by Tacoma Water and Real Property Services.

4. Attachments:

- a. Director's Memo
- b. Aerial Photo
- c. Purchase and Sale Agreement
- d. CAM Request to set Public Hearing

5. Funds available Proposed action has no budgetary impact

6. Deviations requiring special waivers:

Originated by:


Greg Volkhardt, ADM for Watershed and
Environmental Programs

Requested by:


Scott Dewhirst, Water Superintendent

Approved:


Linda McCrea, Interim Director / CEO



TO: Mayor and City Council
FROM: Linda McCrea, Interim Director of Utilities/CEO
COPY: Elizabeth Pauli, City Manager, and City Clerk
SUBJECT: Resolution – Set Public Hearing – June 26, 2018
DATE: June 1, 2018

SUMMARY:

To set Tuesday, July 17, 2018, as the date for a Public Hearing regarding the sale of approximately 2.16 acres of Tacoma Water property for \$200,000.

STRATEGIC POLICY PRIORITY:

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This request supports the above policy priorities by returning the property for economic development, and offering the opportunity for public input on this real estate transaction.

BACKGROUND:

This parcel was part of Tacoma Water's 2002 acquisition of the South East Tacoma Mutual Water Company ("SET Mutual"). The site has remained vacant since that time. The property is zoned SF, Single Family residential, as part of the Parkland-Spanaway-Midland Communities Plan by Pierce County. As the property was not essential to Tacoma Water's needs, it was declared surplus in 2002. In April 2016 the property was offered for sale via a seal-bid process. Although it had been advertised with a minimum bid set at the appraised value of \$260,000, no bids were received. The property has been continuously advertised on the City's surplus website, and it was listed with a real estate broker and signage place on site in January 2017. Although there have been multiple inquiries, no other party made an offer, with uniform feedback that the listing price was too high, due primarily to offsite development costs such as utility extensions and road improvements. The parties have agreed to a consideration to Tacoma Water of \$200,000, which we believe reflects the current fair market value of the property. Mr. Chum intends to develop the property with one or more single family residences. The sale is subject to both Public Utility Board and City Council approval. The terms and conditions of the purchase and sale agreement have been reviewed by the City Attorney's Office and approved by Real Property Services. If approved, the sale is expected to close by August, 2018.

ALTERNATIVES:

The alternatives to disposing of the property through a negotiated disposition, as allowed under TMC 1.06.280f, are to either retain ownership or to dispose via a bid/sale process. Tacoma Water does not have a need for continued fee ownership of the property, and if it were to retain ownership there would be continued management and administrative costs. A negotiated disposition has been determined to be the most efficient and effective disposition process since the 2016 formal bid/sale process was unsuccessful and generated no bids.

RECOMMENDATION:

Tacoma Water and Real Property Services recommend that the City Council set a Public Hearing in accordance with RCW 35.94.040, to be held July 17, 2018 to receive public comment regarding the proposed sale of approximately 2.16 acres of Tacoma Water real property located in unincorporated Pierce County, WA. Once the Public Hearing has been conducted, a separate request will be presented to the City Council for the approval of the sale and conveyance of the real property.

FISCAL IMPACT: There is no fiscal impact to setting this public hearing.



Date: June 1, 2018

To: Linda McCrea, Interim Director of Utilities/CEO

From: Scott Dewhirst, Water Superintendent

Subject: Disposition of Real Property – 8002 Golden Given Road E

Recommendation: Tacoma Water requests that you authorize the sale of its property identified as Pierce County Assessor Tax Parcel No. 9690000301, covering approximately 2.16 acres (or approximately 94,020 SF) located at 8002 Golden Given Road E in unincorporated Pierce County, to Ngoun Chum for \$200,000.

Background: This property was part of Tacoma Water's 2002 acquisition of the South East Tacoma Mutual Water Company ("SET Mutual"). The site has remained vacant since that time. The property is zoned Single Family residential, as part of the Parkland-Spanaway-Midland Communities Plan by Pierce County. As the property was not essential to Tacoma Water's needs, it was declared surplus in 2002. In April 2016 the property was offered for sale via a sealed-bid process. Although it had been advertised with a minimum bid set at the appraised value of \$260,000, no bids were received. The property has been continuously advertised on the City's surplus website, and it was listed with a real estate broker and signage placed on site in January 2017. Although there have been multiple inquiries, no other party made an offer, with uniform feedback that the listing price was too high, due primarily to off-site development costs such as utility extensions and road improvements. The parties have agreed to a consideration to Tacoma Water of \$200,000, which we believe reflects the current fair market value of the property.

Tacoma Water has accepted an offer from Mr. Ngoun Chum for \$200,000. Mr. Chum intends to develop the property with one or more single family residences. The offer is subject to both Public Utility Board and City Council approval and a Public Hearing.

Schedule: Upon approval from the Public Utility Board, Real Property Services will hold a Public Hearing and seek final approval of the transaction from the Tacoma City Council. If approved, the transaction will be completed by August, 2018.

Approved



Linda McCrea
Interim Director of Utilities/CEO

Tacoma Water Surplus Property



- Approximately 2.16 Acres (or approximately 94,020 SF)
- Vacant tract @ 8002 Golden Given Road E in unincorporated Pierce County, WA
 - As-is/ Where-is Condition of Sale
 - Quit Claim Deed
 - Sale Price - \$200,000



MEMORANDUM

FOR INTERNAL DISTRIBUTION ONLY

April 6, 2018

TO: Mr. Greg Volkhardt, Tacoma Water Environmental Programs Manager

FROM: Greg Muller, Real Estate Officer

RE: Recommendation of Terms of Acceptance of Chum Offer to purchase Tacoma Water Surplus Property located at 8002 Golden Given Road East.

Greg,

We have received a written offer from Ngoun Chum to purchase Tacoma Water's surplus property at 8002 Golden Given Road East for \$200,000. The property has been actively marketed since January 2017 at \$260,000. Despite our listing broker's diligent marketing efforts, including approaching local developers, no other offers have been made on the property. Feedback has consistently indicated that the listing price is too high to make economic sense to allow development of the property with a small residential plat.

Subsequent to receipt of this offer, I've researched market activity over the past year and was able to identify several recent transactions of sites intended for small single family residential developments. These transactions closed in a range of approximately \$16,000 to \$24,000 per lot, averaging \$20,000± per lot. Based on existing zoning requiring a minimum 4 lots per acre and development of a nearby property, it's likely that the subject site could accommodate 8 to 9 lots. Nine lots at \$20,000 per lot results in \$180,000. It should be noted that in order to develop a plat on the subject property, sewers would have to be extended from Golden Given and road and frontage improvements would be required in 80th Street, all substantial expenses a developer would face.

Based on initial feedback from you, the Buyer has agreed to a 30-day feasibility period, together with a follow-up 60 days after end of the feasibility period for both TPU Board and Council approvals, and has agreed to increase the earnest money deposit from \$2,000.00 (1% of sale price) to \$5,000.00 (2.5%) of sale price as an indication of good faith and willingness to perform feasibility. The Buyer shall also provide adequate Proof of Funds to close.

Upon your approval, we will give a verbal OK to the Buyer via our Broker, to be followed up with a revised Purchase and Sale Agreement based on the above-described terms.

Based on advice from our Broker, we also recommend that the Listing Price be lowered from \$260,000 to \$200,000. This would be consistent with market evidence and may lead to back-up offers being made.

If you agree with the above recommendations, please indicate your approval below. Otherwise, please let me know if you need additional information or would like to further discuss.

APPROVED:

 4-6-18
Greg Volkhardt, Environmental Programs Manager Date

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES
WATER DIVISION
REAL ESTATE PURCHASE AND SALE AGREEMENT
AGREEMENT NO. A3174

Reference No.: P2017-022

Seller: City of Tacoma, Department of Public Utilities,
Water Division, (d.b.a. Tacoma Water)

Buyer: Ngoun Chum
Abbreviated

Legal Description: Portion NW¼, S34, T20N, R03E, W.M., Pierce Co., WA
County: Pierce

Tax Parcel No.: 9690000301

This REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of April 12, 2018 between the CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, WATER DIVISION (d.b.a. Tacoma Water) a first class municipal corporation ("Seller") and Ngoun Chum ("Buyer").

RECITALS

WHEREAS, Seller is the owner of certain real property more particularly described in Section 1 below.

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer the real property on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Real Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the real property located at **8002 Golden Given Road East** in the County of Pierce and State of Washington, more particularly described as follows:

{See attached legal description **Exhibit "A"**}

Also known as Pierce County Tax Parcel Number **9690000301** (the "Property").

2. Deposit. Upon execution of the Agreement by both Seller and Buyer, Buyer shall deliver to **WFG Title Insurance Company in Tacoma, Washington** (the "Title Company"), as escrow agent for the Closing of this transaction, an earnest money deposit in the amount of **Five Thousand U.S. Dollars (\$5,000.00)** (the "Deposit") as part payment of the purchase price of the Property. The Deposit will be held by the Title Company for the benefit of the parties pursuant to the terms of this Agreement. Any interest that accrues on the Deposit will be for the benefit of Buyer; provided, however, that if Buyer forfeits the Deposit to Seller pursuant to the terms of this Agreement, then all interest accrued on the Deposit will be paid to Seller.

3. Purchase Price. The total purchase price for the Property (the "Purchase Price") will be **Two Hundred Thousand U.S. Dollars (\$200,000.00)**, to which the Deposit shall be a fully

applicable part. The Purchase Price, including the Deposit, will be paid to Seller in cash through escrow at Closing.

4. Title to Property.

4.1 Conveyance. At Closing, Seller shall convey to Buyer fee simple title to the Property by duly executed and acknowledged quit claim deed (the "Deed"), subject only to those encumbrances that Buyer approves pursuant to Section 4.3 below (the "Permitted Encumbrances").

4.2 Preliminary Commitment. Upon execution of this Agreement, Seller authorizes Buyer to order a preliminary commitment for an owner's standard coverage policy of title insurance in the full amount of the Purchase Price to be issued by the Title Company and accompanied by copies of all documents referred to in the commitment (the "Preliminary Commitment").

4.3 Condition of Title. If Buyer receives a Preliminary Commitment pursuant to Section 4.2, Buyer shall advise Seller by written notice what encumbrances to title, if any, are disapproved by Buyer ("Disapproved Encumbrances") within ten (10) business days of receipt of the Preliminary Commitment. All monetary encumbrances other than non-delinquent ad valorem property taxes will be deemed to be disapproved. Seller will have ten (10) business days after receipt of Buyer's notice to give Buyer notice that (i) Seller will remove Disapproved Encumbrances, or (ii) Seller elects not to remove Disapproved Encumbrances. If Seller fails to give Buyer notice before the expiration of the ten (10) day period, Seller will be deemed to have elected not to remove Disapproved Encumbrances. Notwithstanding anything to the contrary in this Agreement, Seller shall remove from title on or before the Closing Date all monetary encumbrances other than those approved by Buyer. If Seller elects not to remove any Disapproved Encumbrances, Buyer will have fifteen (15) business days to notify Seller of Buyer's election either to proceed with the purchase and take the Property subject to those encumbrances, or to terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this section, the escrow will be terminated, the Deposit will be returned immediately to Buyer, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. If this Agreement is terminated through no fault of Seller, then Seller and Buyer shall share equally any costs of terminating the escrow and any cancellation fee for the Preliminary Commitment.

4.4 Title Policy. Seller, at Seller's expense, shall cause the Title Company to issue to Buyer at Closing a standard coverage owner's policy of title insurance insuring Buyer's title to the Property in the full amount of the Purchase Price subject only to the Permitted Encumbrances (the "Title Policy"). The Title Policy must be dated as of the Closing Date.

5. Conditions to Closing.

5.1 Tacoma Public Utility Board and Tacoma City Council Approval. This Agreement, and the transaction contemplated hereby, must be duly approved by the Tacoma Public Utility Board and the Tacoma City Council prior to Closing. If said approvals are not obtained, this Agreement will terminate, and the Deposit, less any costs advanced or committed for Buyer as authorized herein, or other costs subsequently agreed to in writing, will be returned immediately to Buyer, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. Nothing in this Paragraph 5.1

will obligate the Seller to obtain Tacoma Public Utility Board or Tacoma City Council approval beyond the ordinary course of City procedure.

- 5.2 Feasibility Study. Buyer will have until **30 Days from mutual acceptance of this Agreement as evidenced by the last date signed by Seller** (the "Feasibility Study Period") to conduct a review of the Property and satisfy itself with respect to the condition of and other matters related to the Property and its suitability for Buyer's intended use (the "Feasibility Study"). The Feasibility Study may include all inspections and studies Buyer deems reasonably necessary or desirable. Buyer and Buyer's agents, representatives, consultants, architects and engineers will have the right, from time to time, from and after the date of this Agreement to enter onto the Property and make borings, drive test piles and conduct any other reasonable tests and studies that may be necessary or desirable to ascertain the condition and suitability of the Property for Buyer's intended use. Such tests and inspections are to be performed in a manner not disruptive to the operation of the Property. Buyer shall protect, defend and indemnify Seller from and against any construction or other liens or encumbrances arising out of or in connection with its exercise of this right of entry and shall cause any such liens or encumbrances to be promptly released.
- 5.3 Non-Suitability. Buyer will have the right to terminate this Agreement if, in Buyer's good faith judgment, the Property is not suitable for Buyer's intended use. Buyer's right to terminate must be exercised by delivering written notice of its election to Seller on or before the expiration of the Feasibility Study Period. In the event Buyer does not complete the purchase, Buyer shall return the Property as near as is practicable to its original condition. If Buyer terminates this Agreement pursuant to this section, the Deposit, less any costs advanced or committed for Buyer, will be returned to Buyer, this Agreement will terminate, and Seller and Buyer will be released from all further obligation or liability hereunder, except as otherwise specified by this Agreement and except for Buyer's obligations to indemnify Seller under this section. Failure by Buyer to notify Seller in writing of any matters affecting the suitability of the Property, whether or not an inspection has been carried out, shall deem Buyer to have waived this contingency.
- 5.4 Buyer's Indemnification. Buyer agrees to assume all liability for and to defend, indemnify and save Seller harmless from all liability and expense (including reasonable costs and attorneys' fees) in connection with all claims, suits and actions of every name, kind and description brought against Seller or its agents or employees by any person or entity as a result of or on account of injuries or damages to persons, entities and/or property received or sustained, arising out of, in connection with or as a result of the acts or omissions of Buyer, or its agents or employees in exercising its rights under this Agreement and the right of entry granted in connection with its Feasibility Study, except for claims caused by Seller's sole negligence.

6. Condition of the Property.

- 6.1 "As Is" Buyer acknowledges that Buyer is purchasing and shall acquire the Property under this Agreement in its physical condition existing at the date of Closing, "AS-IS, "WHERE IS" AND WITH ALL FAULTS, INCLUDING, WITHOUT LIMITATIONS, THE CONDITION OR STABILITY OF THE SOILS OR GROUND WATERS, THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON OR UNDER THE PROPERTY,

SUITABILITY FOR ANY CONSTRUCTION OR DEVELOPMENT, ZONING AND SIMILAR MATTERS, SOLELY IN RELIANCE ON BUYER'S OWN INVESTIGATION, EXAMINATION, INSPECTION, ANALYSIS, AND EVALUATION OF THE PROPERTY. As of the date this Agreement is signed by both parties, Seller has made no representations or warranties, express or implied, regarding the Property, excluding those representations and warranties expressly provided in this Agreement. Seller shall surrender the Property in as good condition, except for normal wear and tear, as exists on the date of this Agreement. Seller agrees that it will not damage nor commit waste on the Property between the date of acceptance of this Agreement and the Closing Date.

- 6.2 Inspections. Buyer agrees that it will rely on its own inspections and evaluations of the Property, with the exception of written documentation, including, but not limited to any disclosures required by law, provided to it by Seller, to determine the suitability of the Property for Buyer's intended use.
7. Closing. This transaction will be closed in escrow by the Title Company acting as escrow agent ("Escrow Agent"). The Closing will be held at the office of the Title Company on or before that date which is sixty (60) days after the end of the Feasibility Study Period, but in no event later than **July 20, 2017** (the "Closing Date"). However, if needed in order to obtain Tacoma Public Utility Board or Tacoma City Council approval, Closing may be extended up to an additional 30 days beyond the Closing Date. If Closing does not occur on or before the Closing Date, or any later date mutually agreed to in writing by Seller and Buyer, Escrow Agent will immediately terminate the escrow, forward the Deposit to the party entitled to receive it as provided in this Agreement and return all documents to the party that deposited them. When notified by Escrow Agent, Buyer and Seller will deposit with Escrow Agent without delay all instruments and moneys required to complete the transaction in accordance with this Agreement. "Closing," for the purpose of this Agreement, is defined as the date that all documents are executed, the sale proceeds are available for disbursement to the Seller, and legal title passes to the Buyer.
8. Closing Costs and Prorations. Seller shall pay the premium for a standard coverage owner's policy of title insurance in the full amount of the Purchase Price, state of Washington real estate excise taxes applicable to the sale, and one-half of the Escrow Agent's escrow fee. Buyer shall pay the additional premium, if any, attributable to an extended coverage owner's policy of title insurance (if elected by Buyer) and any endorsements required by Buyer, any financing costs, the cost of recording the deed and any financing documentation, and one-half of the Escrow Agent's escrow fee. Property taxes and assessments for the current year, water and other utility charges, if any, shall be prorated as of the Closing Date unless otherwise agreed. Seller is a property tax exempt organization pursuant to R.C.W. 84.36.010, and therefore property taxes will only be due from Buyer for its ownership from and after the Closing Date.
9. Casualty Loss. Seller shall promptly notify Buyer of any event prior to the Closing Date which causes damage to or destruction of any portion of the Property. If Buyer and Seller cannot come to an agreement regarding any such damage to or destruction of the Property, including the settlement of any insurance claims, then Buyer and Seller will each have the right to terminate this Agreement by giving written notice of termination to the other party within twenty (20) days after receipt of actual notice of such casualty loss. Upon exercise of such termination election by either party, this Agreement will terminate, and the Deposit will be returned to Buyer.
10. Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date. Seller shall remove any and all personal property from the Property on or before the Closing Date, unless specifically authorized in writing by Buyer.
11. Events of Default. In the event Buyer fails, without legal excuse to complete the purchase of the Property, then that portion of the Deposit which does not exceed five percent

(5%) of the Purchase Price shall be forfeited to Seller as the sole and exclusive remedy available to Seller for such failure. In the event Seller fails, without legal excuse, to complete the sale of the Property, Buyer shall be entitled to immediate return of its Deposit, and may pursue any remedies available to it in law or equity, including specific performance.

12. Notices. Any notice under this Agreement must be in writing and be personally delivered, delivered by recognized overnight courier service, given by mail or via facsimile. E-mail transmission of notice shall not be effective. All notices must be addressed to the parties at the following addresses, or at such other addresses as the parties may from time to time direct in writing:

Seller: Tacoma Public Utilities – Real Property Services
ABS – 2nd Floor
3628 S. 35th Street
Tacoma, WA 98409
Facsimile No.: (253) 502-8539

Buyer: Ngoun Chum
619 S Wright Avenue Apt 3
Tacoma, WA 98418
jkchum@hotmail.com
Facsimile No.: N/A

With a copy to: Better Properties Commencement Bay LLC
1821 Dock St Ste 102
Tacoma, WA 98402
Facsimile No.: (253) 220-2087

With a copy to: Chris Seim / eXp Realty
2219 Rimland Drive Ste 301
Bellingham, WA 98226
chris@resouthsound.com
Facsimile No.: N/A

Any notice will be deemed to have been given, when personally delivered, and if delivered by courier service, one business day after deposit with the courier service, and if mailed, two business days after deposit in the U.S. mail, and if delivered by facsimile, the same day as verified.

13. Counterparts; Faxed Signatures. This Agreement may be executed in any number of counterparts and by different parties hereto, each of which counterpart when so executed shall have the same force and effect as if that party had signed all other counterparts. Facsimile transmitted signatures shall be fully binding and effective for all purposes.

14. Brokers and Finders. Seller's broker is **Christopher John of Better Properties Commencement Bay LLC**. Buyer's broker is **Christopher Seim of eXp Realty**. In the event any broker or other person makes a claim for a commission or finder's fee based upon the transaction contemplated by this Agreement, the party through whom said broker or other person makes its claim shall indemnify and hold harmless the other party from said claim and all liabilities, costs and expenses related thereto, including reasonable attorneys' fees, which may be incurred by such other party in connection with such claim. This indemnity shall survive the Closing of this transaction.

15. Professional Advice. Seller and the Buyer hereby acknowledge that it may be advisable for either or both Parties to obtain independent legal, tax or other professional advice in

connection with this transaction, as the terms and conditions of this Agreement affect the Parties' rights and obligations. The Parties agree that they have satisfied themselves that they understand the terms and conditions of this sale and have accepted full responsibility to seek such professional advice as they deem necessary.

16. Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

17. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of the time of Closing, will be deemed to be material, and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title for a period of 6 (six) months whereupon they shall terminate. Such representations and warranties, however, are not assignable and do not run with the land, except as may be expressly provided herein or contained in a written instrument signed by the party to be charged.

18. Governing Law. This Agreement will be governed and construed in accordance with the laws of the state of Washington.

19. Attorney Fees. If either party fails to perform any of its obligations under this Agreement or if a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in the dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under this Agreement, including without limitation, court costs and reasonable attorney fees incurred in connection with any federal, state or bankruptcy proceeding.

20. Time of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.

21. FIRPTA. The Escrow Agent is instructed to prepare a certification or equivalent that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA"), and Seller agrees to sign this certification. If Seller is a "foreign person" as the same is defined by FIRPTA, and this transaction is not otherwise exempt from FIRPTA, Escrow Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

22. Waiver. Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

23. Nonmerger. The terms and provisions of this Agreement, including without limitation, all indemnification obligations, will not merge in, but will survive, the Closing of the transaction contemplated under the Agreement.

24. Assignment. Buyer shall not assign this Agreement without Seller's prior written consent, which consent may not be unreasonably withheld or delayed.

25. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

26. Additional Acts. Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by any party hereto,

the parties agree to perform, execute and/or deliver, or cause to be performed, executed and/or delivered, any and all such further acts, deeds and assurances, which may reasonably be required to give effect to the Agreement contemplated herein.

27. Survival. Any terms, conditions, or provisions of this Agreement which by their nature should survive shall survive the Closing of the sale.

28. Waiver of RCW 64.06 Disclosure. Buyer and Seller acknowledge that the Property may constitute "Commercial Real Estate" or "Residential Real Property" as defined in RCW 64.06.005. Buyer waives receipt of the seller disclosure statement required under RCW 64.06 for transactions involving the sale of such real property, except for the section entitled "Environmental." The Environmental section of the seller disclosure statement is attached to this Agreement as **Exhibit "B"** (the "Disclosure Statement").

29. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the purchase and sale of the Property, and supersedes all prior agreements and understandings, oral or written, between the parties relating to the subject matter of this Agreement.

{REMAINDER OF PAGE INTENTIONALLY LEFT BLANK}

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

SELLER

BUYER

Linda McCrea
Linda McCrea Date
Interim Director of Utilities / CEO

[Signature] 4-25-18
Date

Scott Dewhirst 5/2/2018
Scott Dewhirst Date
Water Superintendent

Approved as to form:

[Signature] 5/1/18
Office of City Attorney Date

City of Tacoma Review

TACOMA WATER

Gregory C. Volkhardt 5/2/18
Greg Volkhardt Date
Environmental Programs Manager

Jodi Collins 7/30/18
Jodi Collins Date
Financial Manager

John Haase April 26th, 2018
Surveyor Date

FINANCE:

Andrew Cherullo 5-9-2018
Director of Finance Date
DT

EXHIBIT "A"
LEGAL DESCRIPTION

TRACT 9, WILSON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 34,
TOWNSHIP 20 NORTH, RANGE 3 EAST, W.M., AS PER PLAT RECORDED IN VOLUME 5 OF PLATS, PAGE 83,
RECORDS OF PIERCE COUNTY AUDITOR;

EXCEPT THE EAST 262 FEET THEREOF;

ALSO EXCEPT THE NORTH 30 FEET FOR 80TH STREET;

SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

CA 4-25-18

Exhibit B

REAL PROPERTY DISCLOSURE STATEMENT

(ENVIRONMENTAL ONLY)

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any " items, please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and sign each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five business days, unless otherwise agreed, after mutual acceptance of a written contract to purchase between a buyer and a seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT 80th St Essex Garden Ct ("THE PROPERTY"), OR AS LEGALLY DESCRIBED ON ATTACHED EXHIBIT B-1.

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS, OR WARRANTIES.

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

If you answer "Yes" to a question with an asterisk (), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

ENVIRONMENTAL	YES	NO	DON'T KNOW
*A. Has there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*B. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*C. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*D. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*E. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*F. Has the property been used as a legal or illegal dumping site?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*G. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*H. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*I. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*J. Are there any radio towers that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

See Exhibit B-2 for Additional info

The foregoing answers and attached explanations (if any) are complete and correct to the best of my/our knowledge and I/we have received a copy hereof. I/we authorize all of my/our real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

DATE: 3/23/2017

SELLER

Gregory C. Volkman

DATE: _____

SELLER

NOTICE TO BUYER

INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

BUYER'S ACKNOWLEDGMENT

- A. Buyer hereby acknowledges that: Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050(2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

Date:

4-25-18

BUYER

[Signature]

Date:

BUYER

Exhibit B-1

FPL Division: Tacoma Water

Property: "SETIM -- 80th"

CP 4-25-18

Location: 8002 Golden Given Road East

Jurisdiction: Pierce County

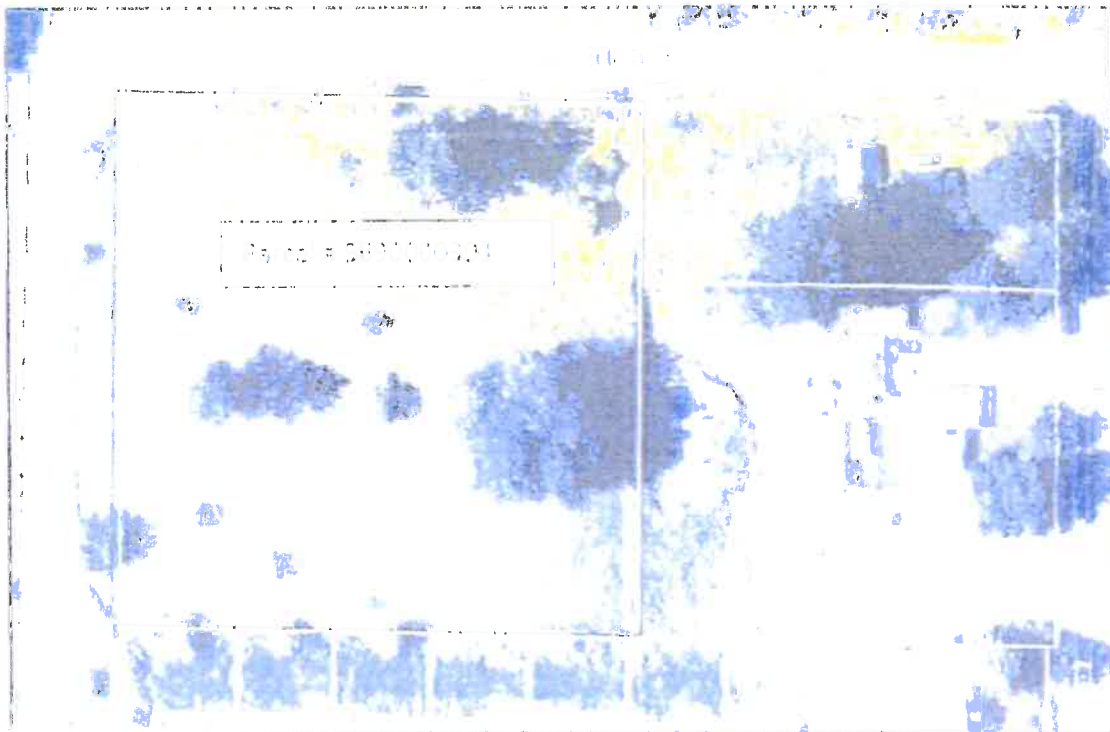
Tract 9, Wilson's Subdivision, of the west half of the northwest quarter of Section 34, Township 20 North, Range 3 East, W.M., as per map thereof recorded in Book 5 of Plats at Page 63, records of Pierce County Auditor;

EXCEPT the east 262 feet thereof;

ALSO EXCEPT the north 30 feet for 80th Street;

SUBJECT TO easement recorded in Volume 523 of Deeds, Page 387, and encroachment of post and barbed wire fence into railroad right-of-way;

Situate in the County of Pierce, State of Washington.



CN 4-25-18

Exhibit B-2 -- Additional Information

- I.D. I am not aware that any materials currently exist on the property. Notes from 2001, when Tacoma Water was acquiring this property from Southeast Tacoma Mutual Water Company (SETM), indicate a small shed, 2 empty rusty 55 gallon drums, and 2 old pesticide sprayers were located on the southeast corner of the property in 2000, prior to acquisition by Tacoma Water. I have not found any records of soil tests done in connection with these findings.
- I.F. The presence of the 55 gallon drums and sprayers in 2001 indicates the southeast corner of the property may have been used as a dumping ground in the past. My understanding is that these items were placed on the property prior to acquisition by SETM in the 1990s.
- I.I. The site is currently owned by Tacoma Water and was previously owned by SETM, who acquired the property in the 1990s for a water well site that was never developed. I am not aware of any commercial or industrial use of these properties by the water utilities.

FEASIBILITY CONTINGENCY NOTICE
(NOTICE OF DISAPPROVAL/APPROVAL)

The following is part of the Purchase and Sale Agreement dated April 12, 2018 1
between Ngoun Chum ("Buyer") 2
Buyer Buyer
and City Of Tacoma, Dept Of Public Utilitie ("Seller") 3
Seller Seller
concerning Located near 8002 Golden Given Rd E Tacoma WA (the "Property") 4
Address City State Zip

Notice of Termination (Feasibility Contingency Disapproval). Buyer disapproves the results of a feasibility 5
study of the Property, elects to terminate the Agreement, and demands the return of the Earnest Money 6

7

Buyer Date Buyer Date

Notice of Satisfaction (Feasibility Contingency Approval). Buyer approves the results of a feasibility study of 8
the Property and elects to proceed with the transaction on the terms in the Agreement. 9

Ngoun Chum 4-25-18 _____ 10
Buyer Date Buyer Date

SURPLUS PROPERTY PROFILE

TPU Division: Tacoma Water

Property: "SETM – 80th"

Location: 8002 Golden Given Road East

Jurisdiction: Pierce County

Tax Parcel No(s): 9690000301

Parcel Size: 2.16± acres / 94,020± SF

Zoning: SF, Single Family, Parkland-Spanaway-Midland Communities Plan

Appraised Value: \$260,000 (\$2.75± per SF) as of October 29, 2014 based upon a highest and best use for residential development.

Ownership History:

Acquisition: In April 2002 the City of Tacoma came into title of the property via Quit Claim Deed as part of the acquisition of the South East Tacoma Mutual Water Company ("SET Mutual") pursuant to Public Utility Board Resolution No. U-9601 and Council Resolution No. 35024. Declared surplus via TPU Res. No. U-9750, Council Res. No. 35679 and Director's Memo dated 09.30.2002. Solicited Request for Bids on April 19, 2016 under PW15-0666F @ \$260,000. No bids received.

Legal Encumbrances: Title Report dated June 2000. Declared environmentally clean by Russ Post email dated 07.15.05.

Restrictions on Disposition: None known.

Restrictions on Use of Surplus Proceeds: None known.

Legal Description (Subject to revision at time of closing):

Tract 9, Wilson's Subdivision, of the west half of the northwest quarter of Section 34, Township 20 North, Range 3 East, W.M., as per map thereof recorded in Book 5 of Plats at Page 83, records of Pierce County Auditor;

EXCEPT the east 262 feet thereof;

ALSO EXCEPT the north 30 feet for 80th Street;

Situate in the County of Pierce, State of Washington.



Listing # 1069613 80th St E, Tacoma 98404 STAT: Active LP: \$200,000
 County: Pierce LT: BLK: CMTY: Midland



PRJ:
 Type: Vacant Land CDOM: 438
 AR: 64 TAX: 9690000301 OLP: \$260,000
 MAP: 834 GRD: A-1 Internet: Yes
 DD: WA-512 E. Take the Portland FIN:
 Ave/Exist 512 exist toward Midland. Turn LD: 01/27/2017
 left onto Portland Ave E. Turn left onto 85th XD:
 St E. Turn right onto Golden Given Rd E. OMD:
 Turn left onto 80th St E.

LAG: Christopher John (86957) PH: (253) 508-3806
 FAX: (253) 220-2087 PH Type: Cellular
 LO: Better Properties Downtown (2956) PH: (253) 205-4584
 SOC: 3% Cmnts:
 CLA: PH:
 CLO: PTO: Yes F17: Not Provided
 OTVP: OWN: City of Tacoma-TPU
 OPH: (253) 591-5249 OAD: Tacoma, WA
 POS: Closing
 TX\$: \$76 TXY: 2017 SNR: No ATF:
 TRM: Cash Out, Conventional
 TER: STY: 41 - Res-Over 1 Acre
 WRJ: Tacoma
 Right of First Refusal:

ZJD: County SKS: No
 ZNR: SF QTR/SEC:
 GZC: Residential

ACR: 2.158 LSF: 94,021 LSZ:
 DOC:
 WFT: LDE: Dead End Street, Paved Street
 VEW:
 HOA:
 RD: RDI: County Maintained, Paved
 IMP:
 FTR:
 TPO: Level SLP: LVL:
 Community Features:

WTR: Available SFA:
 GAS: Available STD:
 ELE: Available SDA:
 SWR: Available SDI: SDD: SDX:

SD: Franklin Pierce EL: Buyer To Verify JH: Buyer To Verify SH: Buyer To Verify
 3rd Party Aprvl Req: None Bank/REO Owned Y/N: No

Agent Only Remarks: City of Tacoma-TPU purchase and sale agreement only. See Additional Broker Remarks in supplements. Preliminary title with WFG. Please use WFG, Tiffney Olsen for title and escrow.

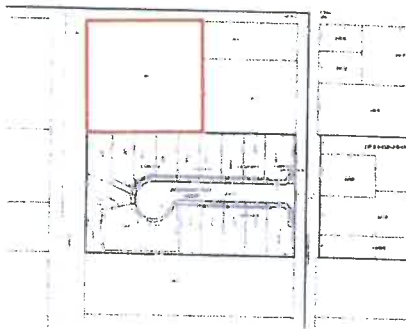
Marketing Remarks: Level lot in residential neighborhood. Great opportunity for large lot development or short plat. Electricity, sewer and water in street.

Realist Tax

Tax ID: 969000-030-1 Tax Year: 2017 Ann Tax: \$76
 Address: 80th St E Tacoma, 98404 Township: Pierce County
 County: Pierce FipsStCd: 53053
 Sub-d:
 Owner: City Of Tacoma Tpu
 Assess Imp: Assess Ttl: \$17,800 Assess Year: 2017 Land As: \$17,800
 Lot Depth: Lot Front: Lot SF: 94,021
 Water: Type Unknown Sewer: None

Listing #: 1069613

80th St E , Tacoma 98404



Information Deemed Reliable But Cannot Be Guaranteed.

Lot Sizes and Square Footage Are Estimates.

04/10/2018 - 10:18AM

Property History Report

Tax ID: 9690000301
80th St E , Tacoma 98404
Listing #: 1069613
Listing Agent: Christopher John
CDOM: 438

Listing Office: Better Properties Downtown
Listing Price: \$200,000

Date	Time	New Value	Old Value	Change Type	Changed By
04/06/2018	2:15 pm	\$200,000	\$260,000	PRICE	Christopher John
01/27/2017	12:06 pm	A		STATUS	Christopher John
01/27/2017	12:06 pm	\$260,000		PRICE	Christopher John



RESOLUTION NO. U-9750

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WHEREAS the Director of Utilities has certified a certain parcel of vacant land surplus to the needs of the Department of Public Utilities, Water Division (dba Tacoma Water), and

WHEREAS, the subject parcel is about 2.15 acres of vacant land located at 80th Street East and 9th Avenue, on the South Side of 80th Street East and West of Golden Given Road East, in Tacoma, and

WHEREAS, Tacoma Water has examined this land and advised that it is surplus to continued effective utility service; Now therefore

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

The Director's certification that certain 2.18 acres of vacant land, located at 80th Street East and 9th Avenue, on the South Side of 80th Street East and West of Golden Given Road East, in Tacoma, is surplus to the needs of Tacoma Water is approved, and the City Council is requested to pass a resolution declaring said parcel surplus to the needs of the City.

Approved as to form and legality:

Robert C. Lane
Chairman

Mark Bubenik
Chief Assistant City Attorney

William J. Barker
Secretary

Elizabeth Larson
Clerk

Adopted October 9, 2002



RESOLUTION NO. 35679

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WHEREAS the Director of Utilities has certified a certain parcel of vacant land surplus to the needs of the Department of Public Utilities, Water Division (d.b.a. Tacoma Water), and

WHEREAS the subject parcel is approximately 2.15 acres of vacant land located at 80th Street East and 9th Avenue on the south side of 80th Street East and west of Golden Given Road East, in Tacoma, and

WHEREAS Tacoma Water has examined this land and advised that it is surplus to continued effective utility service; Now, Therefore,

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

That certain vacant land located at 80th Street East and 9th Avenue on the south side of 80th Street East and west of Golden Given Road East, in Tacoma, is not necessary for providing continued effective utility service and is hereby declared surplus to the needs of the City.

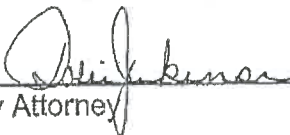
Adopted _____

Mayor

Attest:

City Clerk

Approved as to form and legality:



City Attorney

180

October 9, 2002

REQUEST FOR RESOLUTION

Date September 30, 2002

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)

Approve the certification of surplus vacant land located at 80th Street E and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma WA.

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

Tacoma Water requests approval of the Director's certification of surplus for the property located at 80th Street E and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, which is surplus to the needs of Tacoma Water. This approval authorizes Asset Management to proceed with advertising the sale of this property by the sealed formal bid process.

3. Summarized reason for resolution:

Tacoma Water has identified a parcel of vacant land located at 80th Street E and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, WA that is surplus to needs. The parcel consist of approximately 94,021 square feet or 2.15 acres of land, with approximately 225 feet fronting on 80th Street East and is zoned MSF (Moderate Density Single Family) by Pierce County. This site is one of nine sites transferred when Southeast Tacoma Mutual Water Company merged with Tacoma Water.

Revenues from this property sale will be directed toward the cost of capital improvements to the water system.

4. Attachments:

- a. Letter to Public Utility Board and City Council
- b. Declaration of Surplus
- c. Area Map
- d. Site Map

5. Funds available Proposed action has no budgetary impact

6. Deviations requiring special waivers: None

Originated by:

Requested by:

Approved:

Section Head

Division Head

Director of Utilities

TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

September 30, 2002

To the Chairman and Members of the Public Utility Board
and the Mayor and Members of the City Council

Resolution No. U- 9750

SUBJECT: Declaration of Surplus Property Located at 80th Street East and 9th Avenue,
on the South Side of 80th Street East and West of Golden Given Road East,
Tacoma, WA

The Water Division requests that the Public Utility Board and City Council authorize the surplus of vacant property located at 80th Street East and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, WA.

The Water Division has identified a parcel of vacant land located at 80th Street East and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, WA, that is surplus to its needs. The parcel consists of approximately 94,021 square feet or 2.15 acres of land, with approximately 225 feet fronting on 80th Street East and is zoned MSF (Moderate Density Single Family) by Pierce County. This site is one of nine sites transferred when Southeast Tacoma Mutual Water Company merged with the Water Division.

The Water Division budgeted revenues from property sales for capital improvements to the water system.

The Water Division is requesting the subject parcel be declared surplus to the needs of the Water Division with favorable consideration from the Public Utility Board and City Council.

Sincerely,



Mark Crisson
Director of Utilities





REQUEST FOR ORDINANCE OR RESOLUTION

CITY CLERK USE

Request #:	9273
Ordinance #:	
Resolution #:	35679

1. DATE: September 30, 2002

2. REQUESTING DEPARTMENT/DIVISION/PROGRAM Dept. of Public Utilities, Water Division	3. CONTACT PERSON (for questions): Marsha Johnson	PHONE/EXTENSION 8573
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4. PREPARATION OF RESOLUTION IS REQUESTED FOR THE CITY COUNCIL MEETING OF OCTOBER 15, 2002.

5. SUMMARY TITLE/RECOMMENDATION:

Approve the certification of surplus vacant land located at 80th Street East and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, WA.

6. BACKGROUND INFORMATION/GENERAL DISCUSSION:

The Water Division requests approval of the Director's certification of surplus for the property located at 80th Street East and 9th Avenue, on the south side of 80th Street East and west of Golden Given Road East, Tacoma, which is surplus to the needs of the Water Division. This approval authorizes Asset Management to proceed with advertising the sale of this property by the sealed formal bid process.

The parcel consist of approximately 94,021 square feet or 2.15 acres of land, with approximately 225 feet fronting on 80th Street East and is zoned MSF (Moderate Density Single Family) by Pierce County. This site is one of nine sites transferred when Southeast Tacoma Mutual Water Company merged with the Water Division.

7. FINANCIAL IMPACT: (Future impact on the budget.)

Revenues from this property sale will be directed toward the cost of capital improvements to the water system.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material	Location of Document
Letter to Public Utility Board and City Council	Attached
Certificate of Surplus	City Clerk's Office
Site Map	Attached
Site Map	Attached

2002 OCT 10 PM 1:12
 RECEIVED
 CITY CLERK'S OFFICE
 183
 Acct #

9. FUNDING SOURCE: (Enter amount of funding from each source) N/A

If an expenditure, is it budgeted? Yes No Where? Org #
N/A

 10. Department Director/Utility Division Approval	Approved as to Availability of Funds Director of Finance	 City Manager/Director Utilities Approval
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Office Systems B

MEMORANDUM



DATE: September 30, 2002

TO: Steve Marcotte, Finance Director

FROM: Mark Crisson, Director of Utilities

A handwritten signature in black ink, appearing to read 'Mark Crisson', is written over the printed name in the 'FROM' field.

SUBJECT: CERTIFICATION OF PROPERTY TO BE SOLD
PER TACOMA MUNICIPAL CODE - Sec 1.06.267
Vacant Land Located at 80th Street E and 9th Avenue, on the South Side
of 80th Street East and West of Golden Given Road East, Tacoma WA

Tacoma Water owns a parcel of land conveyed by Southeast Tacoma Mutual Water Company when Tacoma Water acquired the Southeast Tacoma Mutual water system. The site is surplus to Tacoma Water's needs, and we believe it is in the best interest of the City to sell it.

The parcel consists of approximately 94,021 square feet or 2.15 acres of land with approximately 225 feet fronting on 80th Street E and is zoned MSF (Moderate Density Single Family) Pierce County.

This site is one of nine sites transferred when Southeast Tacoma Mutual Water Company merged with Tacoma Water.

The legal description of the surplus property is as follows: Tract 9, Wilson's Subdivision of the West Half of the Northwest Quarter of Section 34, Township 20 North Range 3 East, of the W.M, according to the plat recorded in Book 5 of Plats, page 83, Pierce County Washington. Except the east 262 feet and the North 30 feet, as conveyed by instrument recorded April 26, 2002 under Auditor's File Number 200204260876, records of Pierce County, Washington.

I hereby certify that the above-referenced parcel of vacant land is surplus to Tacoma Water's needs and that disposing of the site would be in the best interests of the public and the City.

cc: Ken Merry
Jane Evancho
Marsha Johnson

City of Tacoma

Declaration of Surplus Property

Date: September 30, 2002

to the Purchasing Office

Department Tacoma Public Utilities

Division Water

Contact Name Marsha Johnson, Real Estate Officer

Phone (253) 502-8573

Description of Surplus

* Property

*** Real Property**

* General Office

* Vehicle

* Other

Describe Items or attach list: vacant land located in Pierce County know as Tax Parcel 969000-030-1

Address/Location of items: 80th Street E. and 9th Avenue, on the South Side of 80th Street E and west of Golden Given Road East, Tacoma, WA

Estimated Value: \$60,000.00

Accounting (for Proceeds deposit): _____

I hereby declare the asset listed as surplus to the needs of the Department.

Ken Merry
Tacoma Water / Ken Merry / Water Superintendent

I hereby declare the asset listed as surplus to the needs of the City of Tacoma according to Section 1.06.267 - 1.06.272 of the Administrative Code.

Mark Crisson 10.1.02
Mark Crisson, Utilities Director / Date

Purchasing Manager / Date

ACTION TO BE TAKEN

Internal Use Only - Purchasing Department

- * Formal Bid (Over \$10,000) _____
- * Auction _____
- * Informal Bid _____
- * Other _____

Reso./Ord # _____

Date of Sale _____
 To _____
 Address _____
 City/State/Zip _____

Sale Price _____
 Less Commission _____
 Net Proceeds _____

Award Routing: * Originating Dept. * Purchasing Dept. * Auctioneer or Buyer * City Treasurer

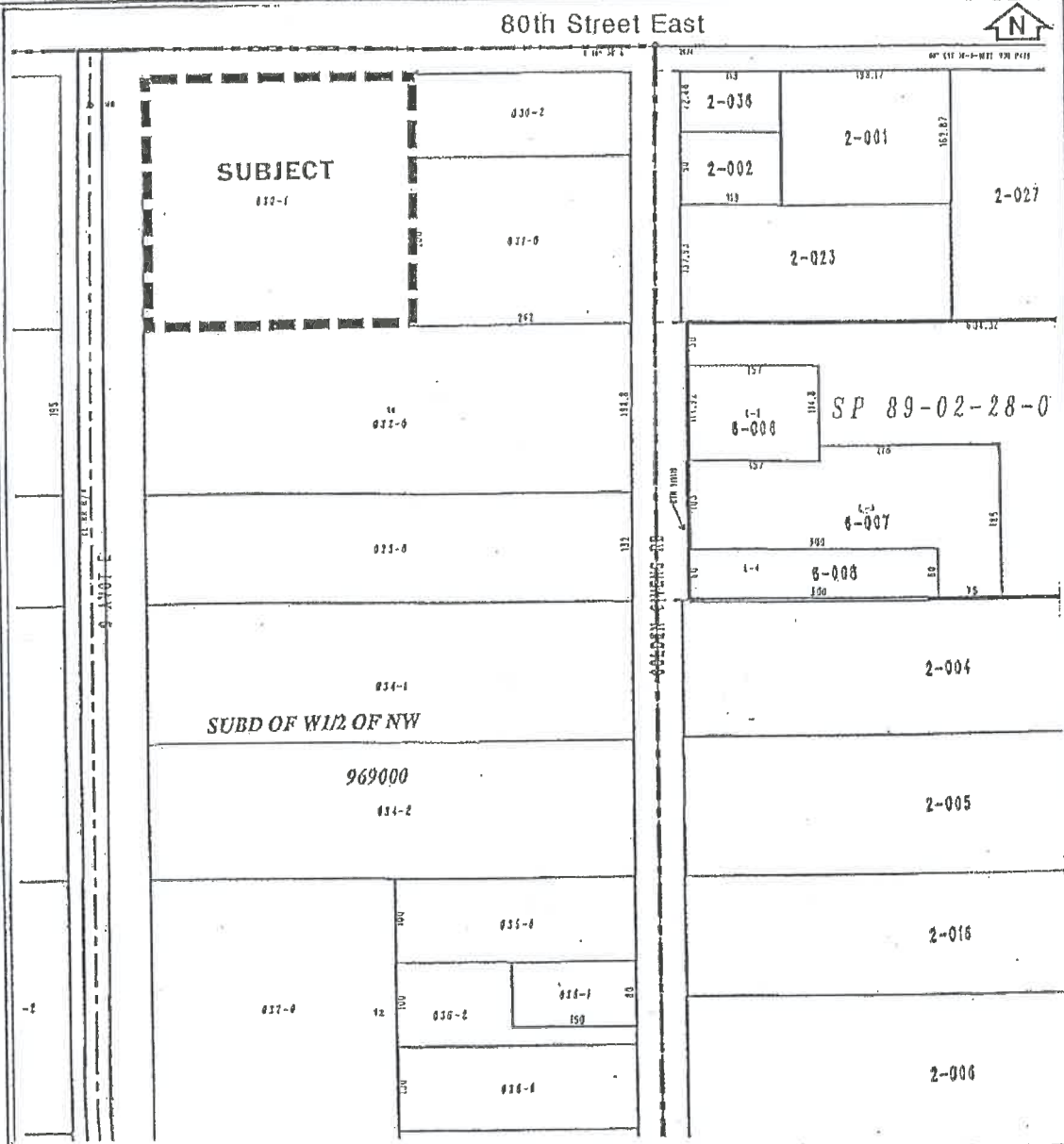
City of Tacoma - Department of Public Utilities - Tacoma Water

Date 9/30/2002

Marsha Johnson
Real Estate Officer

80th Street E & 9th Avenue (Site 10)
NW1/4 of the NW1/4 SECTION 34, T20N R3E
W.M.

Project No.
P2002-xxx



REAL ESTATE MANAGEMENT ILLUSTRATION

This illustration is not to scale. It is provided as a convenience to assist in identifying significant characteristics of the installation. No liability is assumed by reason of reliance hereon.

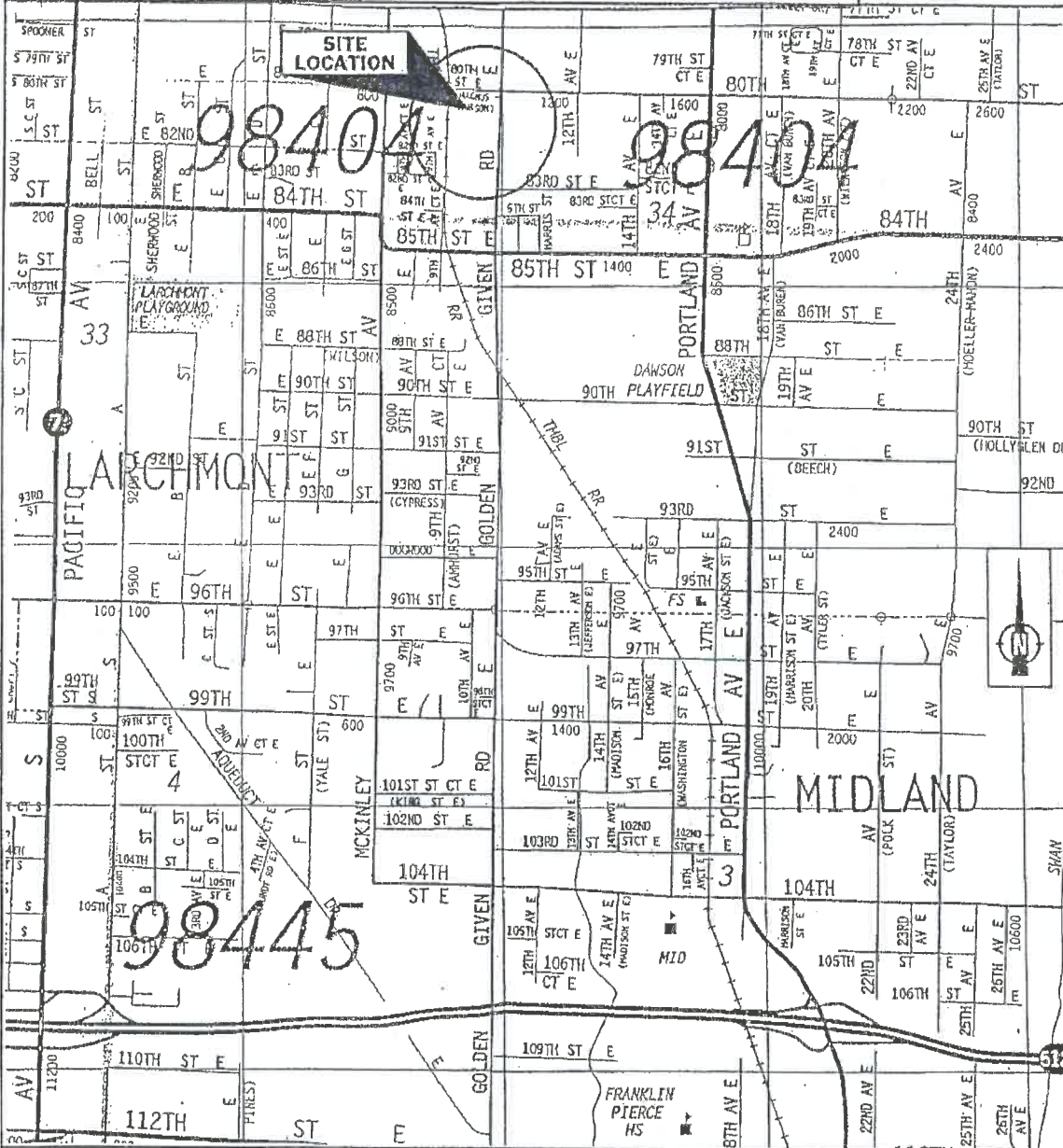
Site Map

City of Tacoma - Department of Public Utilities - Tacoma Water

Date 9/30/2002
 Marsha Johnson
 Real Estate Officer

80th Street E & 9th Avenue (Site 10)
 NW1/4 of the NW¼ SECTION 34, T20N R3E
 W.M.

Project No.
 P2002-xxx



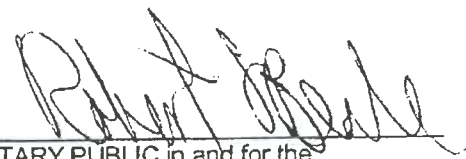
REAL ESTATE MANAGEMENT ILLUSTRATION

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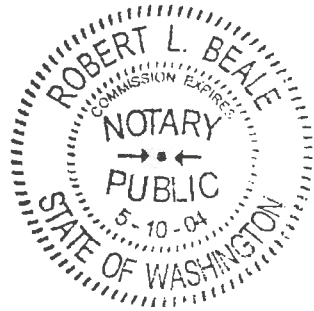
Area Map

the President and Secretary of SOUTH EAST TACOMA MUTUAL WATER COMPANY to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: 4-2-, 2001.



NOTARY PUBLIC in and for the
State of Washington
Print Name: Robert L. Beale
My appointment expires: 5/10/04



s:\20816\docs\qcd9

P2001-110mfj/D-6612

ACCEPTED AND APPROVED:

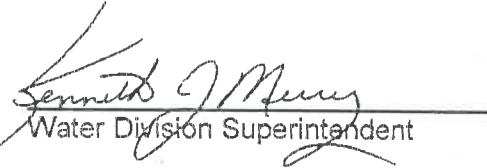
CITY OF TACOMA

TACOMA PUBLIC UTILITIES, WATER DIVISION

Approved:



Director of Utilities



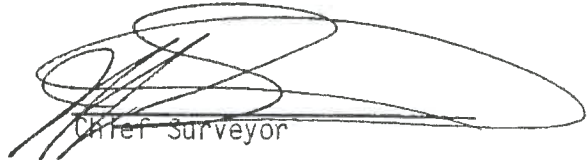
Water Division Superintendent

Reviewed:

Reviewed:



Water Resource Planning Manager



Chief Surveyor

Approved as to Form:



Assistant City Attorney

Dated 4.22.02