

**Management Forum  
March 14, 2018  
ABS B1**

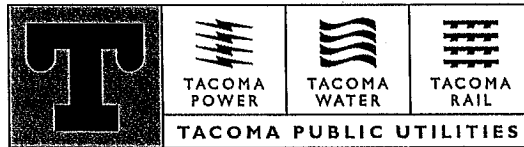
<b>Approximate Time</b>	<b>Topic</b>	<b>Presenter</b>
9:00 – 9:10	Safety Review	Lawrence/Boyd
9:10 – 9:20	Board Review	
9:20	Open Forum	

**Future items**

May 9	Small Business Enterprise Updates	Armstrong
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## 2018 Study Session Agendas

Date	Topic	Presenter	Time Limit
March 14	<i>Note – Stuart Diamond training conflict for executive team</i>		
	Water IRP (second presentation)	George	
March 20	Joint Study Session w/Council <ul style="list-style-type: none"> <li>○ CTC Energy and Technology Draft RFI Alternative Click! Partnership Models Overview</li> <li>○ Undergrounding</li> <li>○ Director Recruitment</li> <li>○ Joint Utility Board Executive Session - Pending Litigation</li> </ul>		
March 28	Cushman Substation Update	Mather	
April 11	Budget Preview for TPU and Rail	McCrea/King	
	Power: Draft Long Range Financial Plan	Robinson	
April 25	Water: Budget Preview	Dewhurst	
	Financial Outlook/Performance Metrics for Q1	Supts/Sant	
May 9	Customer Service: Budget Preview	Hatcher	
	Safety Program Update w/Caterpillar	Lawrence/Boyd	
May 23	Power: Budget Preview		
June 13			
June 26	Joint Study Session w/Council <ul style="list-style-type: none"> <li>○ Water IRP</li> <li>○ Low-Income Family Need</li> </ul>		
June 27	Power: COSA and Revenue Class Rates		
July 11			
July 25			
August 8			
August 22	Service Division Budget Review	McCrea/Sant/Hatcher	
Sept 12	Rail and Water: Budget and Rate Review		
Sept 18	Joint Study Session w/Council		
Sept 26	Power: Budget and Rate Review		



**City of Tacoma  
Public Utility Board  
Study Session**

**March 14, 2018**

**3:00 p.m.**

**Tacoma Public Utilities  
3628 South 35th Street  
Third Floor Conference Room**

The Public Utility Board will hold a study session with staff to discuss the following:

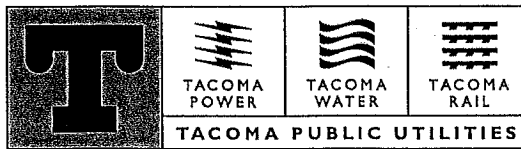
<b>Approximate Time</b>	<b>Topic</b>	<b>Presenter(s)</b>
3:00 – 4:00	Tacoma Water: Integrated Resource Plan	Glen George, Sr. Principal Engineer
4:10 – 4:40	Undergrounding Pilot Program	Rachel Allen, Assistant Section Manager
4:40	Executive Session to Discuss Pending and Potential Litigation (RCW 42.30.110(1)(i))	

Other topics may properly be brought before the Board.

Charleen Jacobs  
Executive Assistant



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**City of Tacoma  
Public Utility Board Meeting  
March 14, 2018; 6:30 p.m.  
Tacoma Public Utilities – Ground Floor Auditorium  
3628 S 35<sup>th</sup> Street, Tacoma WA 98409**

**Call to Order**

**Roll Call**

- A. Approve Minutes of Previous Meetings**
- B. Comments by the Public**
- C. Consent Agenda**
- D. Regular Agenda**

**The Board will hold a quasi-judicial hearing regarding a bid protest for Bid Specification No. PT17-0429F for Power Line Vegetation Clearance Crews.**

**Departmental**

- D-1 Resolution U-10995 – Award contracts and approve purchases:**
- 1. Award contract to Michels Corporation for the removal and replacement of foundations, structures, and conductors associated with the North 21<sup>st</sup> Street Transmission Line Project (\$2,048,363.93, plus applicable sales tax);**
  - 2. Increase and extend contract with Business Ink, Co., (formerly Cash Cycle Solutions, Inc.) for printing and mailing Click! Cable TV customer billing statements and to affirm the exercise of a fourth one-year renewal term (\$182,000. Cumulative total \$889,000, plus applicable sales tax).**
  - 3. Increase and extend contract with Equifax Information Services, LLC, for continued customer identity verification and risk evaluation (\$126,001. Cumulative total \$326,000, plus applicable taxes).**

**Tacoma Power**

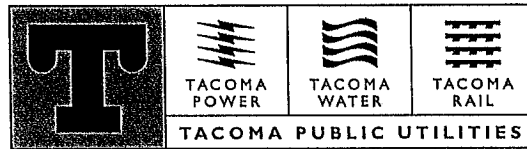
- D-2 Resolution U-10996 – Authorize execution of a utility installation agreement between Tacoma Power and Cedar Springs Associates, LLC to provide electrical service to the Cedar Springs Planned Development District Project.**

**Tacoma Water**

- D-3 Resolution U-10997 – Authorize Tacoma Water to participate in the City of Tacoma Department of Environmental Services Oakland Neighborhood Permeable Pavement Project.**







DRAFT

MINUTES  
City of Tacoma  
Public Utility Board Study Session  
February 28, 2018  
3:00 p.m.

Chair Trudnowski called the Public Utility Board study session to order at 3:02 p.m. at the Public Utilities Administration Building.

Present: Monique Trudnowski; Woodrow E. Jones, Jr., Mark Patterson  
Excused: Karen Larkin, Bryan Flint

**Update for Local Employee Apprenticeship and Training Program (LEAP)**

Keith Armstrong, Local Employee Apprenticeship and Training Program (LEAP) and Small Business Enterprise (SBE) Supervisor made introductory remarks. Clifford Armstrong III, Contract and Program Auditor, began with an overview of the LEAP program. The purpose of the program is to establish a means of providing for the development of a trained and capable workforce possessing the skills necessary to fully participate in the construction trades as outlined in TMC 1.90.010. LEAP only applies to projects funded by the City or TPU dollars; only applies to civil projects more than \$250,000; and only applies to building projects more than \$750,000. All City of Tacoma residents, Pierce County apprentices, Pierce County veterans, and all Pierce County youth ages 18-24 qualify. Program data from 2012 to the present was then reviewed. Mr. Armstrong III then provided an overview of the proposed changes to TMC 1.09 in which the LEAP program is included. Definitions have been updated as necessary; Local employment goal of 15 percent; changed Community Empowerment Zone to Economically Distressed Areas of TPU; and the apprenticeship goal of 15 percent are on projects over \$1M. Mr. Armstrong III concluded by using the Cowlitz Fish Facility Remodel as a case study for the proposed changes.

**Financial Outlook and Performance Metrics for Year-End 2017**

Tacoma Water: Scott Dewhirst, Water Superintendent, summarized the forecast assumptions, summary of outlook, water retail sales and revenues, and revenue and expense summary. The projection for wholesale revenues has increased due to higher than expected demands. Total revenue is forecast to be higher than forecast primarily due to increased residential demand. Total capital expenditures are expected to be lower than budget due to a combination of lagging projects and contingency funds that are not projected to be spent. Mr. Dewhirst concluded by sharing the estimated current fund cash projection.

Tacoma Power: Chris Robinson, Power Superintendent, summarized the forecast assumptions, electric retail revenues, wholesale revenues, and revenue and expense details. Retail revenues

are forecasted to be over budgeted due to cooler than anticipated weather in the first quarter resulting in increased heating loads. Wholesale revenues are forecast to be over budget due to higher precipitation in the first, second, and fourth quarters. Personnel and capital expenses funded from the current fund are forecast to be under budget due to underspending on capital projects in 2017. Mr. Robinson concluded by sharing the projected liquidity fund balance.

Tacoma Rail: Dale King, Rail Superintendent, reviewed the summary of assumptions and summary of financial outlook. Graphical representations of intermodal and commercial volumes were reviewed. There has been a decrease in railcar volumes; actual locomotive servicing revenue is above budgeted. There is no incentive allowance accruing due to lack of intermodal volumes. There are lower taxes from lower revenue generation. Mr. King concluded by sharing the projected liquidity fund balance.

Performance Metrics: Michelle Rhubright, Management Analyst, provided a summary of TPU's performance metrics for year-end 2017 for each of the operational divisions. The main metrics for each division are financial performance, operational excellence, and commitment to customers and employees. All operational divisions are on target for their financial metrics. A new measure for water conservation is in development and will be communicated in the coming months with the Water Integrated Resource Plan. A new employee satisfaction survey is planned for this year. Customer Service call center metrics goals are being met. Employee safety metrics are improving. TPU is currently undertaking a TPU-safety improvement initiative.

#### **Review CTC Agreement and Scope of Work for the Request for Information (RFI) on Alternative Click! Partnership Models**

Chris Bacha, Chief Deputy City Attorney, stated that the contract with CTC is in support of Resolution U-10988 passed by the Board on January 24, 2018 directing the City Manager and Interim Director of Utilities to jointly seek information from interested and knowledgeable entities to determine how the 12 adopted community policy goals can be achieved through a restructuring of Click!. Mr. Bacha reviewed the key due dates in the contract: March 16, completion date of the initial draft RFI; March 20, draft presented to City Council and TPU Board at a joint study session; March 30, RFI finalized; April 2, RFI released; and April 30, RFI closes. CTC will rank responses and follow-up with the viable respondents and provide a recommendation to the City Manager and TPU Interim Director. The ranking and recommendation is scheduled to be provided by CTC on May 4, 2018. Follow-up with selected respondents should be complete by May 11, 2018. CTC will analyze the data and prepare an assessment of the potential opportunities and market response. The assessment will include recommendations regarding potential next steps and an evaluation of what was learned, in particular, how the 12 policy goals may be accommodated and what the potential outcomes might be. A report is scheduled to be presented to the Council and Board on May 29, 2018 as a goal date. In response to a Board inquiry, Tom Morrill, Chief Deputy City Attorney, opined that Resolution U-10988 does not have to be amended to meet this updated timeline. In response to a Board inquiry, Mr. Bacha, shared that costs for the RFI are being split equally between TPU and General Government.

#### **Miscellaneous**

Tom Morrill, Chief Deputy City Attorney, provided background and instruction to the Board about their role in a quasi-judicial hearing scheduled for a bid protest on March 14, 2018. Mr. Morrill reviewed the protest policy and hearing logistics with the Board. Instruction was given to the

Board about having no contact with staff on the subject of this appeal or anyone having interest in this case. This includes parties representing Asplundh, Wright Tree Service, or their counsel.

Power Superintendent Robinson asked the questions if any supplemental information was needed regarding a memo they received on February 20, 2018 concerning the North 21<sup>st</sup> Street tower replacement project. Board Members present had no questions or concerns and recommended that staff reach out to absent Board Members Larkin and Flint to see if they had any follow-up requests. This item is scheduled to be brought before the Board for consideration at its March 14, 2018 meeting.

### **Adjournment**

The study session was adjourned at 5:09 p.m. until the next regularly scheduled study session on Wednesday, March 14, 2018 at 3:00 p.m.

Approved:

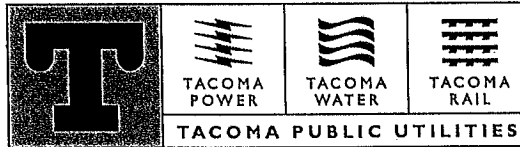
Approved:

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Monique Trudnowski, Chair

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Karen Larkin, Secretary



DRAFT

MINUTES  
City of Tacoma  
Public Utility Board Meeting  
February 28, 2018  
6:30 p.m.

Mr. Jones called the Public Utility Board meeting to order at 6:30 p.m. in the auditorium at Tacoma Public Utilities.

**Present:** Monique Trudnowski, Mark Patterson, Woodrow E. Jones, Jr., Bryan Flint,  
**Excused:** Karen Larkin

The meeting was quorate.

**Minutes of the Previous Meetings**

Board Member Patterson moved to amend the minutes of the February 14 study session as follows: Under "Executive Session", add a line after the last sentence indicating that Tom Morrill, Chief Deputy City Attorney was present. Under "Discussion of Evaluation Criteria for Director of Utilities Recruitment", add this verbiage after the last sentence: The Board decided that the application process should be overseen by City Human Resources Department and Gary Buchanan, Human Resources Director, would be the decision maker who will select semi-finalists for interview and recommend to the Board a smaller group of finalists for the public process that will include participation by the City Council; seconded by Mr. Jones.

A voice vote to amend the minutes as outlined above was taken and carried.

There being no changes to the minutes of the February 7 special meeting or February 14 regular meeting. All minutes, including the minutes of the February 14 study session, as amended were adopted and made part of the record.

**Recognitions**

There were no recognitions.

**Comments from the Public**

Mitchell Shook made comments encouraging Board Members to review the latest summary judgment and other legal briefs filed by the plaintiffs and defense in the Click! litigation case.

**Consent Agenda**

There were no items on the consent agenda.

## Regular Agenda

### D-1 Resolution U-10993 – Award contracts and approve purchases:

1. Award two-year contract to Cox Media Group, Inc., dba KIRO-TV, Inc., for programmatic digital marketing implementation (\$360,000 with the option for two additional one-year renewal periods for a projected amount of \$720,000, sales tax not applicable);
2. Award two-year contract to Cox Media Group, Inc., dba KIRO-TV, Inc., for custom search engine marketing implementation (\$146,400 with the option for two additional one-year renewal periods for a projected amount of \$292,800);

Mr. Jones moved to adopt the resolution; seconded by Mr. Patterson

Voice vote was taken and carried. The resolution was declared adopted.

### D-2 Resolution U-10994 – Authorize execution of a power service agreement for high voltage general service to James Hardie Building Products, Inc.

Mr. Jones moved to adopt the resolution; seconded by Mr. Patterson

Rick Applegate, Power Analyst, summarized the resolution. James Hardie Building Products is an existing customer of Tacoma Power, receiving Schedule G service for its industrial facilities. As the result of expansion of the company's local operations, James Hardie Building Products will require additional electrical energy from Tacoma Power. To support these increased deliveries, James Hardie has constructed a substation to interconnect with Tacoma Power's transmission system. The new interconnection will make the customer eligible for Schedule HVG service because it will no longer require use of Tacoma Power's distribution system. This agreement represents the first contract for Schedule HVG service. Under TMC 12.06.225, which was revised last year in Resolution U-10909, all new service arrangements under Schedule HVG require a contract for service.

In response to a Board inquiry regarding what would take place if there is a reduction in James Hardie Building Products' power requirements, Mr. Applegate answered that this is a requirements contract so whatever the customer needs we will provide subject to Tacoma Power's demand ratchet provisions. There are billing minimums for 11 months following any load reduction. That lower usage would be reflected in Tacoma Power's forecast and would receive a corresponding reduced portion of energy from the Bonneville Power Administration. In response to another Board inquiry regarding costs to Tacoma Power, Mr. Applegate answered that he isn't aware of a disconnection cost and that the customer was required to construct their own substation so incremental costs in supporting delivery is borne by the customer and not the ratepayers. This is a result of the business's growth as they have crossed the power threshold and can no longer be connected to our distribution and they require interconnection into our transmission system. Mr. Applegate stated he will confirm the information about any costs Tacoma Power may bear.

Voice vote was taken and carried. The resolution was adopted.

**H. Reports of the Director**

There were no reports by the Director.

**I. Comments by the Board**

The Board Chair made comments in recognition of Black History Month recognizing the past African-American Board Members who have served.

**J. Adjournment**

There being no further business or comments, the Public Utility Board was adjourned at 6:45 p.m. until Wednesday, March 14, 2018 for a study session beginning at 3:00 p.m. at Tacoma Public Utilities, followed by the regular meeting at 6:30 p.m. at Tacoma Public Utilities.

Approved:

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Monique Trudnowski, Chair

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Karen Larkin, Secretary



## RESOLUTION NO. U-10995

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

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

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

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



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:

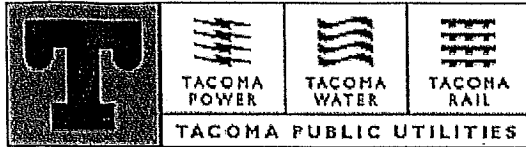
  
\_\_\_\_\_  
Chief Deputy City Attorney

\_\_\_\_\_  
Chair  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Clerk

Adopted \_\_\_\_\_





**TO:** Board of Contracts and Awards  
**FROM:** Chris Robinson, Tacoma Power Superintendent/COO  
 James Blessing, Power Engineer IV, Tacoma Power/Transmission & Distribution  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP  
 Coordinator, and Jessica Tonka, Finance/Purchasing  
**SUBJECT:** North 21<sup>st</sup> Street Transmission Line Project  
 Request for Bids Specification No. PT18-0030F – March 14, 2018  
**DATE:** February 28, 2018

#### RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to Michels Corporation, Neenah, Wisconsin, in the amount of \$2,048,363.95, plus any applicable taxes. This contract is for the removal and replacement of foundations, structures and conductors associated with the North 21<sup>st</sup> Street Transmission Line Project.

#### BACKGROUND:

Tacoma Power is replacing the transmission line that currently connects Pearl Substation to Cushman Substation. The project will install new foundations, structures and conductors, which will be leveraged to bypass, or de-electrify Cushman Substation. The existing transmission line foundations, structures and conductor will be removed. A majority of these components were part of the original Cushman Hydroelectric Project dedication by President Calvin Coolidge in 1926.

In support of this project, on October 14, 2015, Tacoma Power received Board authorization, Resolution No. U-10810 item #1, to enter into a consulting agreement with Leidos Engineering for tower and conductor design. Subsequently on October 24, 2017, the agreement with Leidos was extended by one year. Additionally, Resolution No. U-10950, item #2, received Board approval on August 23, 2017, whereas TransAmerica Power Products was awarded the contract to procure 12 galvanized steel mon-poles.

#### ALTERNATIVES:

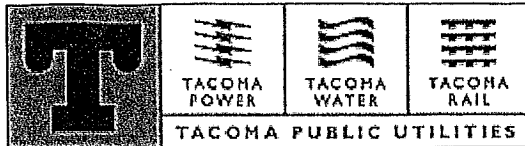
No viable alternative exist.

#### COMPETITIVE SOLICITATION:

Request for Bids Specification No. PT18-0030F was opened February 20, 2018. Six companies were invited to bid from the "2017 Tacoma Power Prequalified Electrical Contractors List" per RCW 35.92.350. Four submittals were received.

The Small Business Enterprise (SBE) participation level proposed by bidder(s) are reflected as a credit (maximum applies) against the submitted base bid to arrive at an "evaluated bid" for ranking purposes. Michels Corporation submitted a bid that resulted in the lowest evaluated submittal after consideration of SBE participation goals. In addition, Sturgeon Electric's bid was adjusted based on their unit prices submitted to correct mathematical errors. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>	<u>Evaluated</u> <u>Submittal</u>
Michels Corporation	Neenah, WI	\$2,048,363.95	\$1,848,363.95
Sturgeon Electric	Troutdale, OR	\$2,654,468.57	\$2,454,468.57
Potelco, Inc.	Sumner, WA	\$2,825,577.00	\$2,625,577.00
Magnum Power, LLC	Castle Rock, WA	\$3,319,487.70	\$3,119,487.70



Pre-bid Estimate: \$3,950,000

The recommended award is 48 percent below the pre-bid estimate.

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 February 23, 2018. The SBE goal for this project is 12 percent, and the lowest established bidder, Michels Corporation, did not meet the established goal; however, they will utilize an SBE subcontractor. Michels Corporation submitted the lowest evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 3,957 hours.

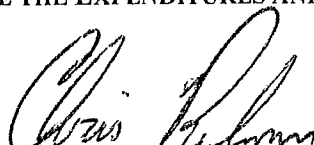
**FISCAL IMPACT:**

**EXPENDITURES:**

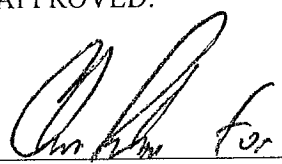
FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700-17CON Power 2017 Bond Fund	PWR-00937-03-02-03		\$2,048,363.95
<b>TOTAL</b>			<b>\$2,048,363.95</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,048,363.95**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

  
Chris Robinson, Power Superintendent/COO

**APPROVED:**

  
Linda McCrea, Interim Director of Utilities/CEO

BID TABULATION: PT18-0030F NORTH 21ST STREET TRANSMISSION LINE PROJECT

Rank	PROPOSAL	1			2			3			NA		
		MICHEL			STURGEON			POTELCO			MAGNUM		
		Unit	Bid Quantity	Unit Price	Total Bid	Unit Price	Total Bid	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Total Bid
Bid Item #1		LS			\$ 88,043.40		\$ 53,282.05	\$ 53,282.05		\$ 132,592.00		\$ 80,000.00	
Bid Item #2		LS			\$ 210,135.02		\$ 220,019.44	\$ 220,019.44		\$ 396,432.00		\$ 303,503.00	
Bid Item #3		LS			\$ 21,013.51		\$ 60,436.74	\$ 60,436.74		\$ 24,000.00		\$ 50,000.00	
Bid Item #4		LS			\$ 22,580.78		\$ 40,409.46	\$ 40,409.46		\$ 19,440.00		\$ 4,180.00	
Bid Item #5		LS			\$ 54,042.35		\$ 11,475.66	\$ 11,475.66		\$ 15,000.00		\$ 13,200.00	
Bid Item #6		LS			\$ 41,945.61		\$ 5,460.00	\$ 5,460.00		\$ 150,600.00		\$ 294,138.00	
Bid Item #7		LS			\$ 190,672.34		\$ 202,764.65	\$ 202,764.65		\$ 113,715.00		\$ 236,160.00	
1													
2													
a		EA	1	\$ 8,150.90	\$ 8,150.90	\$ 31,881.23	\$ 31,881.23	\$ 31,881.23	\$ 21,880.00	\$ 21,880.00	\$ 14,400.00	\$ 14,400.00	
b		EA	16	\$ 7,439.88	\$ 119,038.08	\$ 31,881.23	\$ 510,099.68	\$ 510,099.74	\$ 16,480.00	\$ 263,680.00	\$ 13,875.00	\$ 222,000.00	
3													
a		EA	1	\$ 12,357.94	\$ 12,357.94	\$ 5,678.40	\$ 5,678.40	\$ 5,678.40	\$ 13,800.00	\$ 13,800.00	\$ 2,200.00	\$ 2,200.00	
b		EA	1	\$ 12,357.94	\$ 12,357.94	\$ 5,678.40	\$ 5,678.40	\$ 5,678.40	\$ 19,560.00	\$ 19,560.00	\$ 2,200.00	\$ 2,200.00	
c		EA	1	\$ 12,357.94	\$ 12,357.94	\$ 5,678.40	\$ 5,678.40	\$ 5,678.40	\$ 20,280.00	\$ 20,280.00	\$ 2,200.00	\$ 2,200.00	
d		EA	1	\$ 12,357.94	\$ 12,357.94	\$ 5,678.40	\$ 5,678.40	\$ 5,678.40	\$ 4,680.00	\$ 4,680.00	\$ 2,200.00	\$ 2,200.00	
e		EA	13	\$ 12,357.94	\$ 160,653.22	\$ 14,078.40	\$ 183,019.20	\$ 183,019.20	\$ 18,000.00	\$ 234,000.00	\$ 2,200.00	\$ 28,600.00	
4		EA	2	\$ 9,070.86	\$ 18,141.72	\$ 8,926.82	\$ 17,853.64	\$ 17,853.65	\$ 5,985.00	\$ 11,970.00	\$ 2,000.00	\$ 4,000.00	
5		EA	2	\$ 7,248.15	\$ 14,496.30	\$ 7,098.00	\$ 14,196.00	\$ 14,196.00	\$ 3,360.00	\$ 6,720.00	\$ 5,280.00	\$ 10,560.00	
6		EA	1230	\$ 7.81	\$ 9,606.30	\$ 7.64	\$ 9,397.20	\$ 9,402.12	\$ 30.00	\$ 36,900.00	\$ 7.70	\$ 9,471.00	
7		LF	697	\$ 7.81	\$ 5,443.57	\$ 7.64	\$ 5,325.08	\$ 5,327.87	\$ 11.00	\$ 7,667.00	\$ 7.70	\$ 5,366.90	
Bid Item #8													
a		LF	116	\$ 1,813.47	\$ 210,362.52	\$ 1,402.66	\$ 162,708.56	\$ 162,708.00	\$ 1,810.00	\$ 209,960.00	\$ 1,285.66	\$ 149,136.56	
b		LF	23	\$ 1,850.27	\$ 42,556.21	\$ 2,565.96	\$ 59,017.08	\$ 59,017.14	\$ 1,660.00	\$ 38,180.00	\$ 1,436.86	\$ 33,047.78	
c		LF	161	\$ 1,481.17	\$ 238,468.37	\$ 1,119.27	\$ 180,202.47	\$ 180,201.84	\$ 1,540.00	\$ 247,940.00	\$ 1,084.86	\$ 174,662.46	
Bid Item #9													
a		EA	1	\$ 16,301.80	\$ 16,301.80	\$ 18,313.47	\$ 18,313.47	\$ 18,313.47	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
b		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 15,987.94	\$ 15,987.94	\$ 15,987.94	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
c		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 17,680.59	\$ 17,680.59	\$ 17,680.59	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
d		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 15,769.18	\$ 15,769.18	\$ 15,769.18	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
e		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 15,277.74	\$ 15,277.74	\$ 15,277.74	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
f		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 17,008.84	\$ 17,008.84	\$ 17,008.84	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
g		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 16,119.82	\$ 16,119.82	\$ 16,119.82	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
h		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 16,119.82	\$ 16,119.82	\$ 16,119.82	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
i		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 15,974.70	\$ 15,974.70	\$ 15,974.70	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
j		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 15,974.70	\$ 15,974.70	\$ 15,974.70	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	
k		EA	1	\$ 14,495.34	\$ 14,495.34	\$ 17,795.14	\$ 17,795.14	\$ 17,795.14	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00	

BID TABULATION: PT18-0030F NORTH 21ST STREET TRANSMISSION LINE PROJECT

Rank	1 MICHEL'S				2 STURGEON				3 POTELCO				NA MAGNUM	
	Unit	Bid Quantity	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid
PROPOSAL														
	I	EA	\$ 14,495.34	\$ 14,495.34	\$ 17,631.05	\$ 17,631.05	\$ 22,617.00	\$ 22,617.00	\$ 49,647.00	\$ 49,647.00				
Bid Item #10	1	LS		\$ 22,484.49		\$ 32,281.89		\$ 48,777.00		\$ 24,000.00				
	2	LS		\$ 71,084.46		\$ 178,695.15		\$ 140,200.00		\$ 417,749.00				
	3	LS		\$ 71,084.46		\$ 175,498.80		\$ 140,200.00		\$ 417,749.00				
		LS		\$ 3,178.04		\$ 78,078.00		\$ 36,000.00		\$ 23,000.00				
Bid Item #11		LS		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00				
Bid Item #12				\$ 2,048,363.95		\$ 2,657,523.68		\$ 2,825,577.00		\$ 3,319,487.70				
Sub Total			10.1%	\$ 206,884.76	10.1%	\$ 268,409.89	10.1%	\$ 285,383.28	10.1%	\$ 335,268.26				
Sales Tax				\$ 2,255,248.71		\$ 2,925,933.57		\$ 3,110,960.28		\$ 3,654,755.96				
Total w/Tax														

Submittal Checklist

2 COPIES	X	X	X	X	X	X	X	X	X
Signature page	X	X	X	X	X	X	X	X	X
Addendum	X	X	X	X	X	X	X	X	X
State Responsibility Form	X	X	X	X	X	X	X	X	X
CERT OF COMP W/ WAGE	X	X	X	X	X	X	X	X	X
Proposal Pages	X	X	X	X	X	X	X	X	X
Prior Contracts	ATTACHED	ATTACHED	ATTACHED	ATTACHED	ATTACHED	ATTACHED	ATTACHED	ATTACHED	ATTACHED
List of Equipment	X	X	X	X	X	X	X	X	X
Subcontractor List	X	X	X	X	X	X	X	X	X
SBE UTILIZATION Form Filled out	X	X	X	X	X	X	X	X	X
Prime Contractor's Pre-work Form	X	X	X	X	X	X	X	X	X
SUB Contractor's Pre-work Form	X	X	X	X	X	X	X	X	X
Bid Bond	X	X	X	X	X	X	X	X	X
RETAINAGE OPTIONS	X - WRONG OPTION	X	X	X	X	X	X	X	X
Section 01300 requirements	CLARIFICATION	X	X	X	X	X	X	X	X



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

To: James Blessing  
Date: February 23, 2018  
Subject: North 21<sup>st</sup> Street Transmission Line Project  
Specification No. PT18-0030F

Contractor: Michels Corporation Power Division  
1775 Shady Lane  
Neenah, WI 54956

Subcontractor(s) to be used on the project: Advanced Government Services, Inc. (AGS) for Traffic / Pedestrian Control

**SBE Evaluation**

Contract: PT18-0030F

DESCRIPTION North 21st Street Transmission Line Project

SBE Goal: 12.00%

	<u>Contractor Name</u>	<u>Base Bid</u>	<u>SBE Bid</u>	<u>SBE %</u>	<u>SBE Credit</u>	<u>Evaluated Bid</u>	
1	Michels Corporation Power Division	\$ 1,848,363.95			\$ -	\$ 1,848,363.95	Lowest Evaluated Bid
2	Sturgeon Electric	\$ 2,454,468.57			\$ -	\$ 2,454,468.57	
3	Poteko Inc.	\$ 2,625,577.00			\$ -	\$ 2,625,577.00	
4	Magnum Power, LLC	\$ 3,119,487.70			\$ -	\$ 3,119,487.70	

☒ **APPROVED**

The SBE goal project goal was established at 12%, and the lowest evaluated bidder, Michels Corporation Power Division did not meet the established goal; however, they will utilize AGS as an SBE contractor.

☐ **DISAPPROVED**

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

- ☐ Bidder did not complete all necessary forms  
☐ See attached memorandum dated \_\_\_\_\_

C. Lynn  
Carrie Lynn, SBE Coordinator

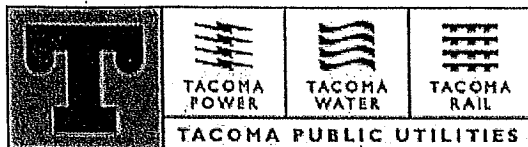


EXHIBIT "A"

RESOLUTION NO.: U-10995

ITEM NO.: #2

MEETING DATE: 3/14/18

**TO:** Board of Contracts and Awards  
**FROM:** Linda McCrea, Interim Director of Utilities  
Chris Robinson, Power Superintendent *CR*  
Tenzin Gyaltsen, Click! Network General Manager *Tenzi*  
**COPY:** Public Utility Board, Board Clerk, SBE Coordinator, LEAP Coordinator, and  
Joe Parris, Finance/Purchasing  
**SUBJECT:** Increase for Statement Production, Insertion and Mailing  
Request for Proposals Specification No. PC12-0699F, Contract No. 4600011597  
– March 14, 2018  
**DATE:** February 27, 2018

**RECOMMENDATION SUMMARY:**

Tacoma Public Utilities, Light Division, dba Click! Network requests approval to increase SAP Contract No. 4600011597 with Business Ink, Co. (formerly known as, and the successor in interest to, Cash Cycle Solutions, Inc.) by \$182,000, for printing and mailing (including postage) Click! Cable TV customer billing statements, and to affirm the exercise of a fourth one-year renewal term. This increase will bring the contract to a cumulative amount of \$889,000, plus applicable sales tax, and extend the term through March 8, 2019.

**BACKGROUND:**

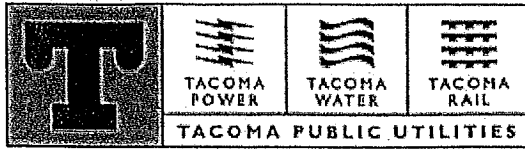
The City entered into a Professional Services Contract with Business Ink, Co. (formerly Cash Cycle Solutions, Inc.), Charlotte, NC, effective March 6, 2013, for statement design, statement printing, printing and insertion of advertising collateral, mailing and postage for delivery of monthly billing statements for cable television services, in the amount of \$402,000, for an initial term of two (2) years with six (6) one-year automatic renewal periods.

City and Contractor entered into Amendment No. 1 to the Contract on or about March 15, 2015, increasing the total authorized compensation for the Contract by the sum of \$200,000, to a new total amount of \$602,000, and affirming the exercise of an automatic one (1) year renewal period effective as of April 20, 2016.

City and Contractor entered into Amendment No. 2 to the contract on March 8, 2017, increasing the total authorized compensation for the Contract by the sum of \$105,000, to a new total amount of \$707,000, and affirming the exercise of an automatic one (1) year renewal period to a new termination date of March 8, 2018.

The City requires continued performance of the services, and payment thereof, and desires to further amend the Contract in order to increase the total authorized compensation for services and deliverables thereunder by an additional sum of \$182,000, to a new total amount of \$889,000, and to affirm the exercise of a fourth automatic one (1) year renewal period to a new termination date of March 8, 2019.

**ISSUE:** Click! Cable TV requires third-party services to provide monthly printed and emailed billing statements to its retail and wholesale customers.



**ALTERNATIVES:** The application used to print utility bills could be evaluated to determine if its usage would be more cost effective, or a different third-party vendor could be solicited through a competitive bidding process. Either alternative would require several months to accomplish and payment of costs to implement a new vendor and design the billing statements according to new criteria or parameters. Monthly billing statements to customers would be interrupted, risking the collection of over \$2,000,000 in monthly receivables.

**COMPETITIVE SOLICITATION:**

This contract was originally awarded to Cash Cycle Solutions, Inc., Charlotte, NC, as a result of Request for Proposal Specification No. PC12-0699F opened December 18, 2012. The firm was selected after evaluation and ranking of four submittals. The firm later changed its name to Business Ink, Co.

**CONTRACT HISTORY:** The original Contract was awarded February 13, 2013 by Resolution U-10594, in the amount of \$402,000. The cumulative amount has been increased twice, by \$200,000 in 2015 and by \$105,000 in 2017, to a total of \$707,000 as authorized by Resolution U-10915. This increase will bring the contract to a cumulative total of \$889,000 including applicable sales tax, and extend the term to March 8, 2019.

**FISCAL IMPACT:**

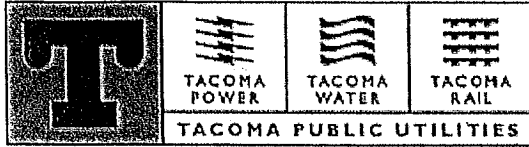
**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700-TELE 2017/2018 O&M budget	552600	5310100	\$182,000
<b>TOTAL</b>			<b>\$182,000</b>

\* General Fund: Include Department

**REVENUES:**

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



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$182,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

A handwritten signature in black ink, appearing to read 'Chris Robinson', is written over the line.

Chris Robinson, Power Superintendent/COO

APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea for', is written over the line.

Linda McCrea, Interim Director of Utilities/CEO



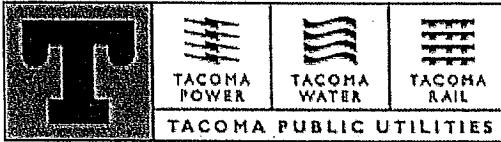


EXHIBIT "A"

RESOLUTION NO.: U-10995

ITEM NO.: #3

MEETING DATE: MARCH 14, 2018

**TO:** Board of Contracts and Awards  
**FROM:** Steve Hatcher, Customer Services  
John Hoffman, Assistant Manager, Customer Services  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP  
Coordinator, and Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Increase to Identify Verification and Risk Evaluation Contract  
Request for Proposals Specification No. CS11-0694F, Contract No. 4600008090  
– March 14, 2018  
**DATE:** March 1, 2018

**RECOMMENDATION SUMMARY:**

Customer Services requests approval to increase Contract 4600008090, to Equifax Information Services LLC, Atlanta, GA, by \$126,001, plus any applicable taxes, and extend the term three years, for continued customer identify verification and risk evaluation. This increase will bring the contract to a cumulative total of \$326,000, plus any applicable taxes.

**BACKGROUND:**

**ISSUE:** Customer Services uses this contract to verify the true identity of our customers and assists in skip tracing to collect outstanding debts. This service is a vital component in the verification of new customer set up information, reducing fraud, and locating customers with past due charges in order to reduce write-offs and collection accounts.

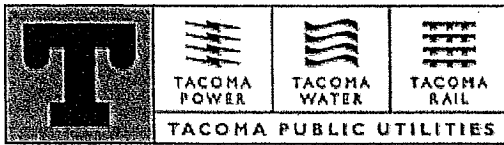
**ALTERNATIVES:** Equifax has performed satisfactorily throughout the tenure of the agreement, and we have no reason to consider replacement on the basis of performance. In addition to the time necessary to conduct a competitive solicitation, replacement would require scheduling and budgeting for internal resources (IT, Project Team), external resource (SAP consultant), testing new vendor/service connection to SAP, training department end users, and other potential unbudgeted costs.

**COMPETITIVE SOLICITATION:**

**CONTRACT HISTORY:** This contract, which provided for a three-year initial term, plus the option for three one-year renewals, was originally awarded to Equifax Services LLC as a result of RFP Specification No. CS11-0694F in April 2012. Amendment 1, implemented in April 2015, extended the term to March 31, 2018. The contract was administratively increased by \$56,000 to a cumulative total of \$176,000, in September 2015. The contract was administratively increased by \$23,999 to a cumulative total of \$199,999, in April 2017. An average monthly cost of \$3,500 was used to estimate the \$126,001 increase for the next three-year service period through March 1, 2021.

**SUSTAINABILITY:** The need for customers to come into our office for identity verification is reduced or eliminated, and therefore their carbon impact from transportation, by providing the remote secure identify verification services from Equifax.

**SBE/LEAP COMPLIANCE:** Not applicable.



**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 Customer Services	579700		\$126,001.00
<b>TOTAL</b>			\$126,001.00

\* General Fund: Include Department

**REVENUES:**

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

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$84,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES**

Steve Hatcher 3/2/2018  
Steve Hatcher, Customer Services Manager

**APPROVED:**

Linda McCrea for  
Linda McCrea, Interim Director of Utilities/CEO



**AMENDMENT TO  
Telco Utilities Master Agreement  
PRICING AND SERVICES**

This Amendment to Pricing and Services ("Amendment") is issued pursuant to and governed by the existing services Agreement, identified above, between Client and Equifax (the "Agreement"). All capitalized terms used but not defined in this Amendment shall have the meanings given them in the Agreement. Client, identified below, will pay Equifax the rates, surcharges, expenses, taxes, and fees (collectively, the "Prices") for the provision of the Information Services identified below, and if not specifically stated, the Prices will be Equifax's then-applicable standard Prices.

1. **Term.** The Prices herein will be effective on 1st day of April, 2015 (the "Amendment Effective Date"), and unless otherwise stated herein, shall continue for three (3) years (the "Initial Term"). Thereafter, the Prices will continue on a month-to-month basis until such time as new pricing is agreed to by the parties.

2. **Rates.** Client will pay Equifax the following rates for the services described below, or as listed in an attached exhibit. The rates set forth in this Amendment are exclusive of all surcharges, expenses, taxes, and fees.

<b>Service Name</b> <i>(list service names or "see attached exhibit")</i>	<b>Rate</b> <i>(list standard table rate, custom rate, or "see attached exhibit")</i>
Pos Id (hits and partials) Min            Max 2,001        5,000 5,001        10,000 10,001       25,000 25,001       50,000 50,001	  \$2.00 \$1.50 \$1.20 \$0.85 \$0.75
Pos Id w/Advanced Energy - Hit Min            Max 2,001        5,000 5,001        10,000 10,001       25,000 25,001       50,000 50,001	  \$2.15 \$1.65 \$1.35 \$1.00 \$0.90
DTEC - Includes Id Scan Hits and Partials Min            Max 2,001        5,000 5,001        10,000 10,001       25,000 25,001       50,000 50,001 Additional services provided with DTEC are SSN Affirm and Phone number returned for 0.22 each	  \$2.00 \$1.50 \$0.95 \$0.85 \$0.75
DL Advantage - Hits 2,001        5,000 5,001        10,000 10,001       25,000 25,001       50,000 50,001	  \$1.00 \$1.00 \$1.00 \$1.00 \$1.00
Fact Act Recovery Fee	0.13
Incremental Fee for the Combo Report (aka Dual Output File)	
Security Monitoring Fee	10%

Pricing table and pricing terms, as applicable:

3. Fees and Surcharges. When applicable, Client will pay Equifax all fees and surcharges related to the Information Services.

a. FACT Act Regulatory Recovery Fee. The FACT Act regulatory recovery fee applies to the following online consumer report products, for each report ordered by Client: ACROFILE, ACROFILE PLUS, ACROSELECT, Decision Power, Decision Power Express and ID Report with score. For Clients required to comply with the Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.13 per credit report ordered. For Clients who are not required to comply with Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.11 per credit report ordered.

b. Colorado Surcharge. A surcharge of \$0.74 will apply to each request for Information Services ordered regarding a resident of the State of Colorado in order to satisfy the requirements of the Colorado Fair Credit Reporting Act.

c. Security Monitoring Fee. A surcharge at the percentage listed in the Rate section will apply to each request for online consumer report products and Standard Information Services, to cover security monitoring services.

4. Taxes. Except to the extent that Client has provided an exemption certificate, direct pay permit or other appropriate documentation, Equifax will add to each invoice any sales, use, excise, value-added, gross receipts, services, consumption and other similar transaction taxes that are levied by a taxing authority upon the provision of the Information Services. It is Client's sole responsibility to pay those taxes and Equifax may separately invoice them.

5. Invoices. Client shall pay Equifax for all Information Services no later than twenty (20) days from the date of Equifax's invoice. Interest will accrue daily on all amounts not timely paid at the rate of 1.5% per month.

6. Price Modifications. After the Initial Term, the rate for each Information Service may be modified by Equifax at any time, provided that such modification for any individual Information Service will not be made more than once in any calendar year. Surcharges, expenses, taxes or fees may be modified at any time. Equifax will disclose the modified rates, surcharge, expenses, taxes or fees (the "Modified Prices") at least one billing cycle in advance through a notice on Client's invoice, or otherwise, and upon disclosure, if Client objects to the Modified Prices, Client may terminate this Amendment without paying an early termination fee, provided Client delivers notice of termination to Equifax no later than thirty (30) days after the first invoice reflecting the Modified Prices, and Equifax shall cease providing the applicable Information Service.

7. Prior Pricing. Upon the Amendment Effective Date, the Prices set forth herein supersede all prior prices, surcharges, expenses, taxes, and other fees agreed to by the Parties for the Information Services described in this Amendment.

8. Additional Terms and Conditions Applicable to Fair Isaac Scores. In addition to the terms set forth in the Agreement, the following additional terms govern Client's use of credit risk Scores or insurance risk Scores of Fair Isaac Corporation ("FICO Scores") and replace any terms previously agreed to with regard to such FICO Scores.

a. From time to time, Client may request that Equifax provide FICO Scores, for, in each case, one of the following internal decisioning purposes requested: (a) in connection with the review of a consumer report it is obtaining from Equifax; (b) for the review of the portion of its own open accounts and/or closed accounts with balances owing that it designates; (c) as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, an existing credit obligation; (d) for use as a selection criteria to deliver a list of names to Client, or Client's designated third party processor agent; (e) for transactions not initiated by the consumer for the extension of a firm offer of credit or insurance; or (f) with respect to the insurance risk scores only for use in connection with the underwriting of insurance involving the consumer. Client shall use each such FICO Score only once and, with respect to FICO Scores, only in accordance with the permissible purpose under the FCRA for which Client obtained the FICO Score.

b. Client acknowledges that the FICO Scores are proprietary and that Fair Isaac retains all its intellectual property rights in the FICO Scores and the Models (defined below) used by Equifax to generate the FICO Scores. Fair Isaac grants to Client, effective during the term of the Client agreement, a personal, non-exclusive, non-transferable, limited license to use, internally, the FICO Scores solely for the particular purpose set forth in Section 8(a) above for which the FICO Scores were obtained, including, but not limited to the single use restrictions set forth above. Client's use of the FICO Scores must comply at all times with applicable federal, state and local law and regulations, and Client hereby certifies that it will use each FICO Score only for a permissible purpose under the FCRA. Client shall not attempt to discover or reverse engineer the FICO Scores, Models or other proprietary information of Fair Isaac, or use the FICO Scores in any manner not permitted, including, without limitation, for resale to third parties, model development, model validation (except as expressly set forth above with respect to Archive Scores), model benchmarking, or model calibration. "Model" means Fair Isaac's proprietary scoring algorithm(s) embodied in its proprietary scoring software delivered to and operated by Equifax.

c. Client shall not disclose the FICO Scores nor the results of any validations or other reports derived from the FICO Scores to any third party (other than to a consumer as expressly permitted in the Agreement and this Section 8.c. unless: (a) such disclosure is clearly required by law; (b) Fair Isaac and Equifax provide written consent in advance of such disclosure; and/or (c) such disclosure is to Client's designated third party processor agent; provided however that in either (i.e., (b) or (c) above) event, Client may make such disclosure (or in the event of (c), direct Equifax to deliver such lists, only after Client has entered into an agreement with the third party that (i) limits use of the FICO Scores to only the use permitted to Client hereunder, (ii) obligates the third party provider to otherwise comply with these terms, and (iii) names Fair Isaac as an intended third party beneficiary of such agreement with respect to the Models, FICO Scores, and other Fair Isaac intellectual property and with fully enforceable rights. Client shall not disclose a FICO Score to the consumer to which it pertains unless

such disclosure is (i) approved in writing by Fair Isaac or (ii) required by law or is in connection with an adverse action (as defined by the FCRA) and then only when accompanied by the corresponding reason codes.

d. Fair Isaac represents and warrants that the scoring algorithm (s) used in the Models to produce FICO Scores are empirically derived and demonstrably and statistically sound; provided, that, this warranty is conditioned on (i) an Client's use of each FICO Score for the purposes for which the respective Model was designed, as applied to the United States population used to develop the scoring algorithm, (ii) the Client's compliance with all applicable laws and regulations pertaining to the use of the FICO Scores, including the Client's duty (if any) to validate or revalidate the use of credit scoring systems under the ECOA and Regulation B, and (iii) the Client's use of the FICO Scores otherwise remaining in compliance with the terms of the Agreement with respect to FICO Scores. FAIR ISAAC AND EQUIFAX HEREBY DISCLAIM ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OTHER WARRANTIES THAT MIGHT BE IMPLIED FROM A COURSE OF PERFORMANCE OR DEALING OR TRADE USAGE.

e. IN NO EVENT SHALL EQUIFAX OR FAIR ISAAC BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES INCURRED BY ANY PARTY AND ARISING OUT OF THE PERFORMANCE HEREUNDER, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF SUCH DAMAGES WERE REASONABLY FORESEEABLE. IN NO EVENT SHALL EQUIFAX'S AND FAIR ISAAC'S COMBINED AGGREGATE TOTAL LIABILITY HEREUNDER EXCEED THE AMOUNTS PAID HEREUNDER DURING THE PRECEDING TWELVE (12) MONTHS FOR THE FICO SCORES THAT ARE THE SUBJECT OF THE CLAIM(S) OR TEN THOUSAND DOLLARS (\$10,000.00), WHICHEVER AMOUNT IS LESS.

f. Equifax and Client acknowledge and agree that Fair Isaac is a third party beneficiary hereunder with respect to the Models, FICO Scores, and other Fair Isaac intellectual property and with fully enforceable rights. Client further acknowledges and agrees that Fair Isaac's rights with respect to the Models, FICO Scores, other Fair Isaac intellectual property, and all works derived therefrom are unconditional rights that shall survive the termination for any reason.

9. Effect of Amendment. In addition to the terms of the Agreement, Client agrees to abide by the additional terms set forth in this Amendment and any attached exhibits or schedules referencing this Amendment. All capitalized terms used herein but not defined in this Amendment shall have the meanings given them in the Agreement. Upon termination of this Amendment for any reason, Client shall pay Equifax the Prices for all Services rendered prior to the termination date. If Client desires to reinstate its account, Client may be charged a reactivation fee. Accounts terminated for non-payment will be reactivated only on receipt of the full amount past due and Client's written request to reinstate the account. When a terminated account is reinstated, the Amendment Effective Date shall be the date of reinstatement.

10. Client Acknowledgement. Required for Clients ordering Information Services under a Service Agreement with Equifax Information Services LLC, as successor in interest to CSC Credit Services Inc.

ARK Client acknowledges that it has received the Service Terms and Conditions for Equifax Information Services LLC (as successor to CSC Credit Services Inc.) and that those terms are added to the Agreement.

[Initial]

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date written below.

	Client: City of Tacoma	Equifax Information Services LLC
Signed By:	<u>Anthony B. Kendall</u>	<u>Audrey Wilson</u>
Name:	Anthony Kendall on behalf of Steve Hatcher	Audrey Wilson
Title:	Customer Service Manager	Senior Manager
Date:	03/10/2015	P. 5-20150
Address:	3628 S. 35th St. Tacoma WA 98409-3192	1550 Peachtree Street, N.W. Atlanta, GA 30309

Bill Gaines  
Bill Gaines, Director of Utilities/CEO

[Signature]  
Director of Finance

Approved as to Form:

Martina P. Lantry  
Deputy/Assistant City Attorney



**AMENDMENT TO  
Telco Utilities Master Agreement  
PRICING AND SERVICES**

This Amendment to Pricing and Services ("Amendment") is issued pursuant to and governed by the existing services Agreement, identified above, between Client and Equifax (the "Agreement"). All capitalized terms used but not defined in this Amendment shall have the meanings given them in the Agreement. Client, identified below, will pay Equifax the rates, surcharges, expenses, taxes, and fees (collectively, the "Prices") for the provision of the Information Services identified below, and if not specifically stated, the Prices will be Equifax's then-applicable standard Prices.

1. **Term.** The Prices herein will be effective on 1<sup>st</sup> day of March, 2018 (the "Amendment Effective Date"), and unless otherwise stated herein, shall continue for **three (3) years** (the "Initial Term"). Thereafter, the Prices will continue on a month-to-month basis until such time as new pricing is agreed to by the parties.

2. **Client Purchase Orders.** Purchase Orders ("POs") are ☒ Required ☐ Not Required by Client.

If required, Client agrees the following PO information applies to this Amendment:

PO Number: \_\_\_\_\_

PO Effective dates from \_\_\_\_\_ to \_\_\_\_\_

Maximum Dollar limit (if applicable):\$\_\_\_\_\_.

Client shall provide current PO information throughout the term of this Amendment, and will issue any new PO information no less than ninety (90) days prior to the expiration of the existing PO. If POs are not required, or Client does not provide a current PO to Equifax, POs will not be required on invoices as a condition of payment.

3. **Rates.** Client will pay Equifax the following rates for the services described below, or as listed in an attached exhibit. The rates set forth in this Amendment are exclusive of all surcharges, expenses, taxes, and fees.

<b>Service Name</b> <i>(list service names or "see attached exhibit")</i>	<b>Rate</b> <i>(list standard table rate, custom rate, or "see attached exhibit")</i>
<b>PostID (hits and partials)</b>	
Min                      Max	
2,001                      5,000	\$2.00
5,001                      10,000	\$1.50
10,0001                      25,000	\$1.20
25,001                      50,000	\$0.85
50,001	\$0.75
<b>Pos ID w/ Advanced Energy - Hit</b>	
Min                      Max	
2,001                      5,000	\$2.15
5,0001                      10,000	\$1.65
10,001                      25,000	\$1.35
25,001                      50,000	\$1.00
50,001	\$0.90
<b>DTEC - Includes Id Scan hits and Partial</b>	
Min                      Max	
2,001                      5,000	\$2.00
5,001                      10,000	\$1.50
10,001                      25,000	\$0.95
25,001                      50,000	\$0.85
50,001	\$0.75
Additional services provided with DTEC are ssn Addirm and Phone number returned for .22 each	
<b>DL Advantage - Hits</b>	
2,001                      5,000	\$1.00
5,001                      10,000	\$1.00
10,001                      25,000	\$1.00
50,001	\$1.00
<b>Fact Act Recovery Fee</b>	.13
<b>Incremental Fee for the Combo Report (aka Dual Output File)</b>	NA
<b>Security Monitoring Fee</b>	10%

4. Invoices. Client shall pay Equifax for all Information Services no later than twenty (20) days from the date of Equifax's invoice. Interest will accrue daily on all amounts not timely paid at the rate of 1.5% per month.
5. Taxes. Except to the extent that Client has provided an exemption certificate, direct pay permit or other appropriate documentation, Equifax will add to each invoice any sales, use, excise, value-added, gross receipts, services, consumption and other similar transaction taxes that are levied by a taxing authority upon the provision of the Information Services. It is Client's sole responsibility to pay those taxes and Equifax may separately invoice them.
6. Price Modifications. After the Initial Term, the rate for each Information Service may be modified by Equifax at any time, provided that such modification for any individual Information Service will not be made more than once in any calendar year. Surcharges, expenses, taxes or fees may be modified at any time. Equifax will disclose the modified rates, surcharge, expenses, taxes or fees (the "Modified Prices") at least one billing cycle in advance through a notice on Client's invoice, or otherwise, and upon disclosure, if Client objects to the Modified Prices, Client may terminate this Amendment without paying an early termination fee, provided Client delivers notice of termination to Equifax no later than thirty (30) days after the first invoice reflecting the Modified Prices, and Equifax shall cease providing the applicable Information Service.
7. Prior Pricing. Upon the Amendment Effective Date, the Prices set forth herein supersede all prior prices, surcharges, expenses, taxes, and other fees agreed to by the Parties for the Information Services described in this Amendment.
8. Fees and Surcharges. When applicable, Client will pay Equifax all fees and surcharges related to the Information Services.
  - a. FACT Act Regulatory Recovery Fee. The FACT Act regulatory recovery fee applies to the following online consumer report products, for each report ordered by Client: ACROFILE, ACROFILE PLUS, ACROSELECT, Decision Power, Decision Power Express and ID Report with score. For Clients required to comply with the Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.13 per credit report ordered. For Clients who are not required to comply with Fact Act Risk Based Pricing rules, the regulatory recovery fee is \$0.11 per credit report ordered.
  - b. Colorado Surcharge. A surcharge of \$0.74 will apply to each request for Information Services ordered regarding a resident of the State of Colorado in order to satisfy the requirements of the Colorado Fair Credit Reporting Act.
  - c. Security Monitoring Fee. A surcharge at the percentage listed in the Rate section will apply to each request for online consumer report products and Standard Information Services, to cover security monitoring services.
9. Additional Terms and Conditions Applicable to Fair Isaac Scores. In addition to the terms set forth in the Agreement, the following additional terms govern Client's use of credit risk Scores or insurance risk Scores of Fair Isaac Corporation ("FICO Scores") and replace any terms previously agreed to with regard to such FICO Scores.
  - a. From time to time, Client may request that Equifax provide FICO Scores, for, in each case, one of the following internal decisioning purposes requested: (a) in connection with the review of a consumer report it is obtaining from Equifax; (b) for the review of the portion of its own open accounts and/or closed accounts with balances owing that it designates; (c) as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, an existing credit obligation; (d) for use as a selection criteria to deliver a list of names to Client, or Client's designated third party processor agent; (e) for transactions not initiated by the consumer for the extension of a firm offer of credit or insurance; or (f) with respect to the insurance risk scores only for use in connection with the underwriting of insurance involving the consumer. Client shall use each such FICO Score only once and, with respect to FICO Scores, only in accordance with the permissible purpose under the FCRA for which Client obtained the FICO Score.
  - b. Client acknowledges that the FICO Scores are proprietary and that Fair Isaac retains all its intellectual property rights in the FICO Scores and the Models (defined below) used by Equifax to generate the FICO Scores. Fair Isaac grants to Client, effective during the term of the Client agreement, a personal, non-exclusive, non-transferable, limited license to use, internally, the FICO Scores solely for the particular purpose set forth in Section 8(a) above for which the FICO Scores were obtained, including, but not limited to the single use restrictions set forth above. Client's use of the FICO Scores must comply at all times with applicable federal, state and local law and regulations, and Client hereby certifies that it will use each FICO Score only for a permissible purpose under the FCRA. Client shall not attempt to discover or reverse engineer the FICO Scores, Models or other proprietary information of Fair Isaac, or use the FICO Scores in any manner not permitted, including, without limitation, for resale to third parties, model development, model validation (except as expressly set forth above with respect to Archive Scores), model benchmarking, or model calibration. "Model" means Fair Isaac's proprietary scoring algorithm(s) embodied in its proprietary scoring software delivered to and operated by Equifax.
  - c. Client shall not disclose the FICO Scores nor the results of any validations or other reports derived from the FICO Scores to any third party (other than to a consumer as expressly permitted in the Agreement and this Section 8.c. unless: (a) such disclosure is clearly required by law; (b) Fair Isaac and Equifax provide written consent in advance of such disclosure; and/or (c) such disclosure is to Client's designated third party processor agent; provided however that in either (i.e., (b) or (c) above) event, Client may make such disclosure (or in the event of (c), direct Equifax to deliver such lists, only after Client has entered into an agreement with the third party that (i) limits use of the FICO Scores to only the use permitted to Client hereunder, (ii) obligates the third party provider to otherwise comply with these terms, and (iii) names Fair Isaac as an intended third party beneficiary of such agreement with respect to the Models, FICO Scores, and other Fair Isaac intellectual

property and with fully enforceable rights. Client shall not disclose a FICO Score to the consumer to which it pertains unless such disclosure is (i) approved in writing by Fair Isaac or (ii) required by law or is in connection with an adverse action (as defined by the FCRA) and then only when accompanied by the corresponding reason codes.

d. Fair Isaac represents and warrants that the scoring algorithm (s) used in the Models to produce FICO Scores are empirically derived and demonstrably and statistically sound; provided, that, this warranty is conditioned on (i) an Client's use of each FICO Score for the purposes for which the respective Model was designed, as applied to the United States population used to develop the scoring algorithm, (ii) the Client's compliance with all applicable laws and regulations pertaining to the use of the FICO Scores, including the Client's duty (if any) to validate or revalidate the use of credit scoring systems under the ECOA and Regulation B, and (iii) the Client's use of the FICO Scores otherwise remaining in compliance with the terms of the Agreement with respect to FICO Scores. FAIR ISAAC AND EQUIFAX HEREBY DISCLAIM ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OTHER WARRANTIES THAT MIGHT BE IMPLIED FROM A COURSE OF PERFORMANCE OR DEALING OR TRADE USAGE.

e. IN NO EVENT SHALL EQUIFAX OR FAIR ISAAC BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES INCURRED BY ANY PARTY AND ARISING OUT OF THE PERFORMANCE HEREUNDER, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF SUCH DAMAGES WERE REASONABLY FORESEEABLE. IN NO EVENT SHALL EQUIFAX'S AND FAIR ISAAC'S COMBINED AGGREGATE TOTAL LIABILITY HEREUNDER EXCEED THE AMOUNTS PAID HEREUNDER DURING THE PRECEDING TWELVE (12) MONTHS FOR THE FICO SCORES THAT ARE THE SUBJECT OF THE CLAIM(S) OR TEN THOUSAND DOLLARS (\$10,000.00), WHICHEVER AMOUNT IS LESS.

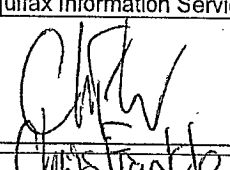
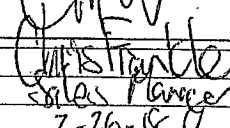
f. Equifax and Client acknowledge and agree that Fair Isaac is a third party beneficiary hereunder with respect to the Models, FICO Scores, and other Fair Isaac intellectual property and with fully enforceable rights. Client further acknowledges and agrees that Fair Isaac's rights with respect to the Models, FICO Scores, other Fair Isaac intellectual property, and all works derived therefrom are unconditional rights that shall survive the termination for any reason.

10. Effect of Amendment. In addition to the terms of the Agreement, Client agrees to abide by the additional terms set forth in this Amendment and any attached exhibits or schedules referencing this Amendment. All capitalized terms used herein but not defined in this Amendment shall have the meanings given them in the Agreement. Upon termination of this Amendment for any reason, Client shall pay Equifax the Prices for all Services rendered prior to the termination date. If Client desires to reinstate its account, Client may be charged a reactivation fee. Accounts terminated for non-payment will be reactivated only on receipt of the full amount past due and Client's written request to reinstate the account. When a terminated account is reinstated, the Amendment Effective Date shall be the date of reinstatement.

11. Client Acknowledgement. Required for Clients ordering Information Services under a Service Agreement with Equifax Information Services LLC, as successor in interest to CSC Credit Services Inc.

\_\_\_\_\_  
[Initial] Client acknowledges that it has received the Service Terms and Conditions for Equifax Information Services LLC (as successor to CSC Credit Services Inc.) and that those terms are added to the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date written below.

	Client: City of Tacoma	Equifax Information Services LLC
Signed By:	_____	
Name:	Linda McCrea	
Title:	Director of Utilities	2-26-18
Date:		
Address:	3628 S. 35 <sup>th</sup> St Tacoma, WA. 98409	1550 Peachtree Street, N.W. Atlanta, GA 30309

Approved as to form:

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

\_\_\_\_\_  
Finance Director





## RESOLUTION NO. U-10996

1 A RESOLUTION authorizing execution of a utility installation agreement  
2 between Tacoma Power and Cedar Springs Associates, LLC ("Cedar  
3 Springs").

4 WHEREAS Cedar Springs is redeveloping a parcel of land located  
5 near 84<sup>th</sup> Avenue East and 176<sup>th</sup> Street East, within the City of Tacoma,  
6 Department of Public Utilities, Light Division (dba "Tacoma Power") service  
7 territory, named the Cedar Springs Planned Development District Project  
8 ("Cedar Springs Project"), which will require electrical power for 189  
9 apartment units, 25 duplex units, one single-family home, and recreational  
10 building, and

11 WHEREAS Tacoma Power is seeking authorization for a Utility  
12 Installation Agreement ("Agreement"), for overhead distribution upgrades,  
13 installation of new underground distribution, and secondary facilities, to be  
14 completed in three separate phases, beginning April 2018, and

15 WHEREAS the Cedar Springs Project will be 100% customer-funded  
16 with estimated costs paid in advance of each phase, for an estimated total  
17 cost of \$295,360; Now, Therefore;

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

19 That Tacoma Power's request to execute a Utility Installation  
20 Agreement with Cedar Springs Associates, LLC to provide a new electrical  
21 service, as described in the backup materials on file with the Clerk of the  
22 Board, in the estimated amount of \$295,360, funded by Cedar Springs  
23 Associates, LLC to be completed in three phases, with costs paid in advance  
24  
25  
26



1 of each phase of construction, is hereby approved, and that the proper  
2 officers of the City are authorized to execute said agreement substantially in  
3 the form as on file with the Clerk and as approved by the City Attorney.

4 Approved as to form and legality:

5 \_\_\_\_\_  
Chair

6 *Re C. Merrill*  
7 Chief Deputy City Attorney

8 \_\_\_\_\_  
Secretary

9 \_\_\_\_\_  
10 Clerk

11 \_\_\_\_\_  
12 Adopted

March 14, 2018

**REQUEST FOR RESOLUTION**Date: March 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)

Tacoma Power requests approval to execute the Utility Installation Agreement between Tacoma Power and Cedar Springs Associates, LLC.

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

To authorize Tacoma Power to execute a Utility Installation Agreement between Tacoma Power and Cedar Springs Associates, LLC, to provide electrical service to Cedar Springs Planned Development District Project consisting of 240 dwelling units and a recreational building.

3. Summarized reason for resolution:

Cedar Springs Associates is redeveloping a parcel of land located near 84<sup>th</sup> Avenue East and 176<sup>th</sup> Street East. The project, Cedar Springs Planned Development District Project ("Cedar Springs Project"), is proposed to establish 189 apartment units, 25 duplex units, one single-family home, and recreational building, within Tacoma Power's service area.

The Utility Installation Agreement is for overhead distribution upgrades, installation of new underground distribution, and secondary facilities, to be completed in three separate phases. Construction is expected to begin in April 2018.

This project is 100% customer funded, with estimated costs paid in advance of each phase of construction

The estimated total cost of all three phases is \$295,360.

4. Attachments:

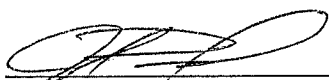
- a. Memo from Chris Robinson to Linda McCrea dated March 1, 2018
- b. Utility Installation Agreement between Tacoma Power and Cedar Springs Associates, LLC

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

This project will have no financial impact to the City considering it is 100% customer funded.

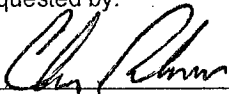
6. Deviations requiring special waivers:

Initiated by:



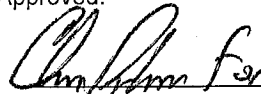
for Joseph A. Wilson, PE, Transmission &  
Distribution Manager

Requested by:

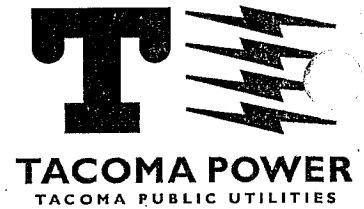


Chris Robinson, Power  
Superintendent/COO

Approved:



Linda McCrea, Interim Director of Utilities



**DATE:** March 1, 2018

**TO:** Linda McCrea, Interim Director of Utilities/CEO

**FROM:** Chris Robinson, Power Superintendent/COO *CR*

**SUBJECT:** Utility Installation Agreement between Tacoma Power and Cedar Springs Associates  
Cedar Springs Planned Development District Project

**RECOMMENDATION:**

Tacoma Power recommends the Public Utility Board approval a Phase 1 Utility Installation Agreement between Tacoma Power and Cedar Springs Associates, LLC for an estimated total of \$183,664.99.

**EXPLANATION:**

Cedar Springs Associates is redeveloping a parcel of land located near 84<sup>th</sup> Avenue East and 176<sup>th</sup> Street East. The project, Cedar Springs Planned Development District Project ("Cedar Springs Project"), is proposed to establish 189 apartment units, 25 duplex units, one single-family home, and recreational building, within Tacoma Power's service area.

The Utility Installation Agreement is for overhead distribution upgrades, installation of new underground distribution, and secondary facilities, to be completed in three separate phases. Construction is expected to begin in April 2018.

This project is 100% customer funded, with estimated costs paid in advance of each phase of construction

The estimated total cost of all three phases is \$295,360.

cc: Rachel Allen  
John Martinson  
Aba Adjepong  
Matthew Farrington

## UTILITY INSTALLATION AGREEMENT (Customer Funded)

~Cedar Springs, PDD Project~

### Phase 1

This **UTILITY INSTALLATION AGREEMENT** ("Agreement") with an effective date as of \_\_\_\_\_ ("Effective Date") is made by and between **Cedar Springs Associates, LLC**, a Washington State limited liability company (hereinafter referred to as "CUSTOMER"), 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" and/or "City"). CUSTOMER and Tacoma Power each may be referred to as a "Party," or collectively as the "Parties".

### RECITALS:

**WHEREAS**, CUSTOMER is constructing a new residential apartment and duplex complex known as the Cedar Springs Planned Development District Project ("**Cedar Springs Project**") on real property in Tacoma Power's service territory;

**WHEREAS**, Tacoma Power is authorized under Washington law to engage in the production, acquisition, transmission, distribution, and sale of electric power;

**WHEREAS**, CUSTOMER wishes to construct electrical distribution facilities to supply electric power to the Cedar Springs Project and has requested Tacoma Power perform certain utility installation work and related services as necessary to do so. Tacoma Power is prepared to provide electrical service and to perform said utility installation work and related services, provided that the Cedar Springs Project's new electrical facilities are designed, constructed, and completed as set forth in this Agreement;

**WHEREAS**, the Cedar Springs Project necessitates a variety of installation and construction work that is to be divided into the following three phases:

#### **Phase 1:**

(1) Distribution upgrades involving Tacoma Power owned and operated utility facilities on 182nd St E & 84th Ave E. located within a 60ft easement for utilities.

(2) Installation of additional utility facilities to provide new power supply and capacity to serve the Cedar Springs Project. This installation includes the construction of a new 12.5kV underground electrical distribution circuit to connect Tacoma Power facilities to the Cedar Springs Project Phase 1.

#### **Phase 2:**

Installation of utility facilities to provide new power supply and capacity to serve the Cedar Springs Project Phase 2. This installation includes the construction of a new 7.2kV underground electrical distribution circuit connecting Tacoma Power facilities to the Cedar Springs Project Phase 2.

**Phase 3:**

(1) Installation of additional utility facilities to provide new power supply and capacity to serve the Cedar Springs Project Phase 3. This installation includes the construction of a new 7.2kV underground electrical distribution circuit connecting Tacoma Power facilities to the Cedar Springs Project.

(2) Conversion of overhead power lines along 179<sup>th</sup> St. E. to underground conduit.

The Parties are executing three separate Utility Installation Agreements for each phase. All installation and construction work, together with related design engineering and inspection services to meet applicable safety and operating requirements, is collectively referred to herein as the "**Tacoma Power Work**" (as further defined in Article 1.3 h. below) and in the Exhibits to this Agreement;

**WHEREAS**, to arrange for the orderly and timely installation of utility facilities for the Cedar Springs Project, CUSTOMER is responsible to complete performance of certain underground utilities structure work that includes trenching, installation of electrical conduits, and installation of pre-cast concrete vaults compatible with the Tacoma Power Work. Said work, referred to herein as the "**Customer Work**" (as further defined in Article 1.3 f. below) will be performed by and through CUSTOMER's separately contracted construction and/or electrical contractor(s), and their authorized sub-contractors, per Tacoma Power's engineered design set forth in "**Design Documents**" (as further defined in Article 1.3 b. below). CUSTOMER will fully reimburse Tacoma Power under the terms of this Agreement;

**WHEREAS**, CUSTOMER will be solely responsible for, and pay, all development costs to complete the Cedar Springs Project including, but not limited to, all time and materials costs incurred by Tacoma Power to perform the Tacoma Power Work and further design and inspection services related to the CUSTOMER Work as specified in and pursuant to this Agreement. Such costs specifically include "**Direct Costs**" (as defined in Article 1.3 a. below) and may include further costs for Additional Work per Article 2.1.5, Article 2.4 and/or Extra Work per Article 4. Notwithstanding the foregoing, it is understood and agreed that Tacoma Power will own and operate all resulting electric supply system facilities unless expressly noted otherwise herein.

IN CONSIDERATION OF the mutual promises set forth herein and the mutual benefits to be derived hereunder, the Parties hereby agree as follows:

**ARTICLE 1 - SCOPE**

**1.1 Purpose and Intent.** The purpose of this Utility Installation Agreement is to set forth the terms and conditions pursuant to which the Parties will cooperatively undertake, at CUSTOMER's sole expense, all electric utility work and associated equipment and materials needed for Phase 1 of the Cedar Springs Project and as

necessary to meet applicable safety and operating requirements. It is intended that Tacoma Power will perform work and provide equipment and materials, as specified herein and in the Design Documents attached hereto, including the design, installation, relocation, conversion of overhead electrical distribution, construction and inspection work related to:

Phase 1

- (i) Construction of an underground electrical distribution system with the necessary facilities to provide a power supply system for the Cedar Springs Project Phase 1.
- (ii) Voltage upgrades to 182nd St E & 84th Ave E electrical distribution system.

It is intended that CUSTOMER, by and through the CUSTOMER Contractor, will perform work and provide equipment and materials, as specified herein and per the Design Documents attached hereto including:

- (i) The CUSTOMER is responsible for furnishing the primary trench and maintaining the trench throughout all phases of construction. The CUSTOMER is to provide a 5/8-inch minus crushed rock, compacted pat at all the vault locations, complete the backfill after the utility systems are installed, and provide the sand for shading the gas pipe when required.
- (ii) The CUSTOMER shall be responsible to have the primary civil (trench, conduit, and vaults) system and secondaries installed by a qualified electrical contractor licensed in the State of Washington under Chapter 19.28 RCW. All work must be completed in accordance with Tacoma Power's design, construction, and inspection standards.
- (iii) If the CUSTOMER or CUSTOMER Contractor fails to properly install the civil system in accordance with Tacoma Power's drawings, standards, and as directed by Tacoma Power's T&D Construction Inspector, then that portion will be replaced, relocated, or revised by the CUSTOMER at the CUSTOMER's expense. Failure to make all corrections as specified by Tacoma Power will result in the CUSTOMER paying for any costs incurred by Tacoma Power to make the corrections before service is provided. All secondary work must be inspected by a Tacoma Power Electrical Inspector.
- (iv) Clearances from padmounted transformers to structures are measured from the nearest metal portion of the transformer to the structure or structure's overhang. The clearance from a building and/or overhang must be four (4) feet if the building has noncombustible walls and/or overhang (brick, concrete, steel, or stone) and eight (8) feet if the building has combustible walls and/or overhang. No doors, windows, stairways or other openings may be located within eight (8) feet of any transformer. A three (3) foot side clearance between the transformer and a driveway is required.

This is measured from the outside of the transformer vault lid. Some of the lots may require an adjustment to the building placement to provide adequate clearance to our structures. See Standard A-UG-1200 for more details.

- (v) The CUSTOMER agrees to convey to Tacoma Power all required easements for our construction and maintenance of the primary electrical system. A "For Construction" drawing will not be issued until all required easements have been obtained by Tacoma Power.
- (vi) The CUSTOMER shall be responsible to contact and coordinate the construction activities with the other utilities (i.e., natural gas, telephone, and cable).
- (vii) The CUSTOMER shall be responsible to have a licensed engineer or land surveyor provide for all property surveys, including setting and maintaining temporary wooden hubs for lot or building site corners and establishing and maintaining finished elevations along Tacoma Power's underground electrical distribution system trench, and at structure locations. Tacoma Power will not be held responsible for the replacement of said corners that may be obliterated or lost during construction. Elevations at all breaks in grade along the trench and at all structure locations shall be marked on one print of the electrical layout and returned to Tacoma Power for construction purposes. Tacoma Power shall be notified in writing of any changes in elevations or plat layouts prior to installation of the underground distribution system. If any changes are made after Tacoma Power's facilities have been installed, the cost of relocating or revising Tacoma Power's facilities will be charged to the customer. Any deviation due to inadequate depth of coverage, as required by State Safety Codes, shall be at the developer's expense.
- (viii) The CUSTOMER shall provide an all-weather access road to each structure (i.e., pole, transformer, junction box, switchgear, etc.). Access to transformers and structures will be on roadways rated for truck traffic suitable for Tacoma Power line construction vehicles.

**1.1.1 Customer Phase I Responsibilities.** The following is in further elaboration of the above. Items listed below must be inspected and approved by Tacoma Power's T&D Construction Inspector. Call (253) 381-3023, 24-hours prior to any work being done. Prior to any construction, the Customer Contractor shall contact the project engineer to schedule a pre-construction meeting. After the "For Construction" drawing has been released by Tacoma Power, the Customer Contractor will be required to furnish and install the following in accordance with Tacoma Power's design, construction, and inspection standards:

#### **Phase 1**



- a. The primary trench and conduit in accordance with Standard C-UG-1300. The conduit shall be Schedule 40 PVC gray electrical type or as shown on the Tacoma Power drawing. If the trench is more than four (4) feet deep, shoring will be required.
- b. Two (2) internally grounded, concrete junction boxes (No. 554 per Standard C-UG-2000) with H-20 lids, (each) with a spring-loaded door according to Standards C-UG-1100 and C-UG-1500.
- c. One (1) internally grounded, concrete transformer vaults (No. 444 per Standard C-UG-2000) according to Standards A-UG-1200 and C-UG-1700 for the single-phase transformer(s) for site excavation and vault specifications, with location as shown on Tacoma Power's drawing.
- d. Three (3) internally grounded, concrete transformer vaults (No. 554 per Standard C-UG-2000) according to Standards A-UG-1200 and C-UG-1700 for three-phase transformer(s) for site excavation and vault specifications, with location as shown on Tacoma Power's drawing.
- e. One (1) internally grounded, concrete junction boxes (No. 444 per standard C-UG2000) with H-20 lids (each) with a spring loaded door according to standards C-UG-1100 and C-UG-1500.
- f. Secondary service boxes (SSBs): Seven (7) concrete SSB(s) (No. 444 per Standard C-UG-2000) according to Standard C-UG-1500.
- g. Ten (10) feet of Schedule 80 PVC conduit on standoff brackets and one (1) Schedule 40 PVC or rigid steel elbow, as directed by Tacoma Power's T&D Construction Inspector, according to Standard C-UG-1200 at Tacoma Power's terminal poles. The risers are to be sized and installed as shown on the Tacoma Power provided drawing.
- h. Guard posts shall be installed at transformer locations according to Standard C-UG-1400. The transformers will not be installed until an acceptable transformer guard is installed. Consult with Tacoma Power's T&D Construction Inspector for guard post requirements.
- i. Proof primary conduit using a Tacoma Power approved mandrel after backfill. The conduit is to be fished and swabbed by the customer upon completion of the installation. Proving shall then be demonstrated with Tacoma Power's authorized T&D Construction Inspector present. After proving that the conduit is free from obstruction, the customer shall leave a 1/8-inch diameter polypropylene fish cord in the conduit.

j. Obtain an electrical permit for any secondary work from Tacoma Power's Electrical Inspection Office. Call (253) 502-8277 for permit fees and other required information.

k. For services of 400 amps and above, a set of electrical plans must be submitted to the Electrical Inspection Office for review.

l. The Customer Contractor is responsible for all secondary conduits and cables from the transformers (or from the service boxes) to the service point on each building, and data conduit as specified by Tacoma Power for remote meter reading, system automation or other Tacoma Power data needs. Any secondary cables pulled after the transformer is set will be done with the transformer in place at an additional fee. Installation of secondary conduit is to be inspected by the Electrical Inspection Office before backfill of the trench. Call (253) 502-8277, 24-hours prior to construction for inspection scheduling.

m. Customer Work, including but not limited to that specified in Exhibit A, shall comply with the following Tacoma Power Standards: A-UG-1200, C-UG-1100, C-UG-1200, C-UG-1300, C-UG-1400, C-UG-1700, and C-UG-2000 as the same may be updated or revised from time to time. These standards can be obtained from this office or from Tacoma Power's website ([www.tacomapower.com](http://www.tacomapower.com)).

n. The Customer Contractor is responsible to have a copy of this Agreement and a copy of the above Tacoma Power Standards available on the construction site.

**1.2 Incorporation of Recitals.** The Parties acknowledge that the above stated Recitals are true and accurate and are incorporated as contractual provisions herein.

**1.3 Definitions.**

a. "Direct Costs" shall mean and include all costs and expenses incurred by Tacoma Power directly related to the Cedar Springs Project as provided under this Agreement and shall include, without limitation,

i. All costs and expenses of materials, equipment, supplies, utilities, consumables, goods and other items used or incorporated in connection with and in furtherance of this Agreement and any taxes, insurance, and interest expenses related thereto, including activity pricing for inspection, engineering, crews and equipment;

ii. All labor costs and expenses incurred to date and pursuant to this Agreement for the design, inspection, and construction activities and/or

tasks designated to be performed by Tacoma Power hereunder. Such costs are inclusive of payroll benefits and overhead for applicable labor classifications.

iii. All cost and expenses incurred to date and during performance of this Agreement for any work performed by City consultants or contractors that pertains to the Cedar Springs Project and as necessary to undertake and complete the Tacoma Power Work under this Agreement.

- b. "Design Document(s)" means the plans and specifications for the Cedar Springs Project prepared by Tacoma Power in coordination with CUSTOMER and/or the CUSTOMER Contractor pursuant to this Agreement, which include the (i) specifications, standards, and requirements applicable to the CUSTOMER Work attached hereto as **Exhibit "A"** and (ii) specifications, plans, drawings, and sketches applicable to the Tacoma Power Work may at some future date be attached hereto as **Exhibit "B"** which Exhibits are, by this reference, fully incorporated herein.
- c. "Field Representative(s)" means the person(s) identified by Tacoma Power as having inspection authority or who direct Tacoma Powers field forces for construction activity.
- d. "Inspection Work" means all labor, equipment and materials necessary for Tacoma Power to monitor the CUSTOMER Work to ensure conformance with the Design Documents. Duties of this Inspection Work, which will be performed by Tacoma Power's designated Construction Inspector, include:
- Monitoring of electrical conduit duct and vault system construction,
  - Approving or rejecting materials for conformance with Design Documents through the Tacoma Power Engineer,
  - Rejecting work not in conformance with the Design Documents through the Tacoma Power Engineer,
  - Confirming proofing tests for new electrical conduit duct and vault system,
  - Verifying the CUSTOMER Work is conducted in accordance with the NESC and Tacoma Power T&D Construction Standards,
  - Coordinating power outages with the customer's representatives, and
  - Generating punch lists ahead of final acceptance.

Direct Costs of all of the foregoing work performed by Tacoma Power shall be pre-paid and/or fully reimbursed by CUSTOMER hereunder.

- e. "Project Manager" means the person designated by the Parties in Section 5.3.
- f. "CUSTOMER Work" for purposes of this Agreement shall mean the underground utility structure installation work for which CUSTOMER is responsible hereunder and generally includes all site preparation, surveying, excavation, inspection coordination, and construction work necessary to fully

and properly install electrical vaults and communication vaults and conduits per the Design Documents, together with all costs and expenses required and/or incurred in connection therewith. Such work includes the Customer responsibilities specified in Article 1.1.1. above. Such work further includes all construction and administrative activities related to and in any way connected with the electrical work performed by the CUSTOMER Contractor and otherwise necessary to successfully complete Phase I of the Cedar Springs Project.

As further described in the Design Documents, such work and activities specifically require and involve, but are not necessarily limited to:

- Removal, adjustment, protection, installation, and relocation of Tacoma Power electrical facilities and appurtenant equipment.
- All necessary construction trenching, installation, and preparation of an electrical conduit duct and vault system.

All of the foregoing work and activities will be utilized in conjunction with the Tacoma Power Work and pertain to all Tacoma Power electrical facilities within the Project Area and/or impacted by the Cedar Springs Project whether located within Pierce County, in the 60ft easement for ingress, egress and utilities, or private property all as described in the Design Documents (**Exhibit "A"**). The CUSTOMER Work shall not include the Tacoma Power Work that Tacoma Power is expressly required to perform hereunder.

- g. "Resident Engineer" means the person designated by Tacoma Power who will be the point of contact regarding all Cedar Springs Project related construction under this Agreement.
- h. "Tacoma Power Work" means all labor, materials, equipment, services, supplies, overheads, applicable taxes and all other items necessary to relocate, reroute, modify and reconnect the power systems and facilities to accommodate Cedar Springs Project. For purposes of this Agreement, the "Tacoma Power Work Sketches" mean all Tacoma Power prepared documents and drawings to be utilized by Tacoma Power to perform its work.

The Tacoma Power Work will also include:

- Installation of permanent power service and equipment for the Cedar Springs Project per **Exhibit A**,
- Modification, installation, removal for existing 7.2kV, electrical system and removal of electrical facilities,
- Traffic-control as may be necessary to facilitate such work per the Pierce County permitting requirements

Tacoma Power will prepare a preliminary drawing for the Cedar Springs

Project showing where the electrical facilities are to be installed. Preparation of this drawing will begin upon receipt of the payment and this Agreement signed by an authorized person. After full payment has been received, all required easements have been secured, and the preliminary drawings that were sent for review and comments have been returned to Tacoma Power, a **"For Construction"** drawing will be issued. A **two-week** period will be required to schedule construction after the "For Construction" drawing is issued, then the following will be provided by Tacoma Power:

#### Phase 1

- Frame the terminal poles and complete the terminal pole risers.
  - 1 single-phase, 75kVA, 120/240 volt padmount transformer on the customer-supplied concrete vault providing 3-wire service. The AIC at the transformer secondary bushings is 29,540 amps.
  - 3 single-phase, 167kVA, 120/240 volt padmount transformers on the customer-supplied concrete vaults providing 3-wire service. The AIC at the transformer secondary bushings is 54,900 amps.
  - All necessary primary cables and terminations, all secondary cables from the transformers to the service boxes, and all secondary terminations at the transformers and service boxes.
  - 81 single-phase meters for 200 amp secondary services for apartments and duplexes.
  - 1 single-phase meters for 320 amp secondary services for recreational center.
  - All other necessary overhead and underground facilities for providing electrical service.
- i. "The City" is used interchangeably with "Tacoma Power" in this document.
- j. "CUSTOMER Contractor" means the General Contractor and/or Electrical Contractor s designated by CUSTOMER to prosecute the Cedar Springs Project and to perform the CUSTOMER Work hereunder for and on behalf of CUSTOMER
- **NOTE:** All references to the "CUSTOMER Contractor" herein shall expressly include and refer to any and all subcontractors acting by and through the CUSTOMER Contractor. Notwithstanding any separate contract executed by CUSTOMER with the CUSTOMER Contractor that may pertain to the Cedar Springs Project, CUSTOMER shall be and remain fully bound and responsible hereunder for the proper performance

of the CUSTOMER Work, the completion of the Cedar Springs Project, and the payment of all costs and expense provided for hereunder, all in accordance with the terms and conditions of this Agreement.

- k. "Cedar Springs Project Area" means all lands, public and private, for the Cedar Springs Project where utility work will be performed and includes all areas identified, described or delineated in the Design Documents (**Exhibit A**) and/or in the drawings, are by this reference, fully incorporated herein.

## ARTICLE 2 – RESPECTIVE PROJECT OBLIGATIONS

### 2.1 City Obligations:

**2.1.1 Design & Work:** Tacoma Power will provide all Design Drawings, Design Documents, Inspection Work, and Tacoma Power Work described in the Design Documents. The preparation of Design Documents, Inspection Work, and Tacoma Power Work shall be performed by Tacoma Power per the design requirements set forth in Tacoma Power's T&D Construction Standards and in the National Electrical Safety Code (NESC). City Inspection Work will be provided as scheduled or required during CUSTOMER and/or the CUSTOMER Contractor's prosecution of the CUSTOMER Work. It is expressly understood that by performing the Inspection Work Tacoma Power shall not be deemed to have any direct control over the Cedar Springs Project and/or CUSTOMER Work or to have assumed any duties or liabilities for the full, proper, and lawful prosecution of the Cedar Springs Project and/or CUSTOMER Work; all of which is and shall remain at all times the sole responsibility of CUSTOMER. All Tacoma Power communications regarding inspection, acceptance, approval, rejection or modification of the CUSTOMER Work will be addressed to the CUSTOMER Project Manager.

**2.1.2 Inspection Work:** Tacoma Power agrees to provide Inspection of CUSTOMER Contractor's work during the performance of the CUSTOMER Work including, but not limited to, installation of the vaults and ducts. Such Inspection Work shall be for the exclusive purpose of confirming said performance complies with the Design Documents including, but not limited to, the agreed upon drawings and Tacoma Power standards therein. CUSTOMER's Project Manager is to schedule the Inspection Work in such manner as not to unreasonably delay or interfere with CUSTOMER Contractor performance of the CUSTOMER Work; Provided, that Tacoma Power shall not be responsible for any costs or claims based on delay attributable to CUSTOMER Contractor and/or their sub-contractor(s).

**2.1.3 Coordination of Service modifications:** Certain electrical facility modifications and installations are required and may be impacted by labor, equipment procurement, and/or temporary outage scheduling. Tacoma Power's Resident Engineer will notify CUSTOMER Contractor to coordinate any necessary service outages, cut-overs, and metering energization. Notwithstanding such notice, the CUSTOMER Contractor shall remain primarily responsible for timely coordination of all Cedar Springs

Project utility installation work. Tacoma Power must complete some equipment modifications in advance of the modification of the distribution pole line. These modifications are contingent upon the scheduling of an outage to the effected customers. Once these modifications are complete then **CUSTOMER** and/or the **CUSTOMER** Contractor shall provide Tacoma Power's Resident Engineer a three week advanced coordination period and a one week advanced notice of scheduling the cut over of the service to the new metering location. Tacoma Power will contact the **CUSTOMER** after the distribution pole line upgrades have been made.

**2.1.4 Temporary Outages and New Service Coordination:** Subject to Section 2.1.3, Tacoma Power will coordinate all temporary outages with its customers if and when required to perform and complete the Tacoma Power Work. It is understood and agreed that the Tacoma Power Work involves installation of infrastructure capable of accommodating new and/or increased electrical services to the Cedar Springs Project and that energization of such new services will be coordinated by and with the **CUSTOMER** Contractor.

**2.1.5 Additional Work:** Except as specifically set forth in this Agreement and/or in the Exhibits attached hereto, any additional utility installation work necessary to accommodate the multitude of construction activities involved in the Cedar Springs Project shall be subject to additional design, labor, equipment, services, materials and supplies costs. **CUSTOMER** Contractors shall be responsible for the timely request and coordination of all such additional work. Requests for additional work shall be submitted to Tacoma Power's Resident Engineer and processed as a change order. The cost of such additional work shall be in addition to the amounts set forth in the **Preliminary Cost Estimate**, (which is attached hereto as **Exhibit C** and fully incorporated herein by this reference) and **CUSTOMER** shall be solely responsible for, and shall pay, such cost to Tacoma Power.

## **2.2 CUSTOMER Obligations:**

**2.2.1 Work to be Performed:** **CUSTOMER** shall be, at its sole cost and expense, responsible for the full and complete performance of the **CUSTOMER** Work as specified herein and in the **Exhibits**. The **CUSTOMER** Work shall comply with all applicable laws and regulations whether or not set forth in the **Exhibits**. In performing the **CUSTOMER** Work, **CUSTOMER** shall be responsible for all **CUSTOMER** Work construction contracting functions including, but not limited to, those related to the **CUSTOMER** Contractor.

**2.2.2 Scheduling:** Prior to commencement of any work on the Cedar Springs Project including, but not limited to the **CUSTOMER** Work, **CUSTOMER** Contractor shall provide a construction schedule to Tacoma Power and shall thereafter timely notify Tacoma Power of scheduling changes related to the Cedar Springs Project that are expected to materially impact the **CUSTOMER** Work or Tacoma Power Work schedules. **CUSTOMER** contractor shall provide weekly progress reports to Tacoma Power and schedule work coordination meetings with Tacoma Power as necessary to

allow Tacoma Power to coordinate and timely complete the Inspection Work and Tacoma Power Work. **CUSTOMER's** Project Manager shall coordinate with Tacoma Power's Field Representative to accomplish desired changes or corrections to Tacoma Power's Inspection Work and/or Tacoma Power Work in the field as necessary to avoid delays to **CUSTOMER** Work activities. The **CUSTOMER** Project Manager will handle all communications with the **CUSTOMER** Contractor.

**2.2.3 Property Rights:** **CUSTOMER** shall obtain and furnish, at no cost to Tacoma Power, any access, licenses, easements and/or rights of way upon, over, under and across lands comprising the Cedar Springs Project as necessary for Tacoma Power to perform and complete the Tacoma Power Work, and shall at all reasonable times provide Tacoma Power and/or its employees, representatives, agents and/or contractors free access to such lands.

- A. **CUSTOMER** shall further obtain for and/or assign to Tacoma Power all access and use rights, including but not limited to easements reasonably necessary to allow Tacoma Power to operate, maintain, repair, and reconstruct all Cedar Springs Project electrical facilities in the future. Tacoma Power shall at its sole discretion approve the adequacy of such access and/or property rights, and such approval shall not be unreasonably withheld.
- B. Tacoma Power may agree, in its sole discretion and shall not be obligated, to procure additional access, easements, licenses, and/or rights of way as reasonably necessary to performance of the Tacoma Power Work on property owned by persons or entities other than **CUSTOMER**; in which event, all costs incurred by Tacoma Power shall be deemed a Direct Cost hereunder and reimbursed by **CUSTOMER**. Tacoma Power will not be obligated to commence Tacoma Power Work on any property unless or until approved access and/or property rights have been established.
- C. Per Section 2.2.6 below, **CUSTOMER** shall be responsible for all surveying and documentation preparation work required to secure and formally establish any and all of the foregoing property rights.

**2.2.4 Performance of Work:** As further specified herein, **CUSTOMER** will employ all **CUSTOMER** Contractor and other persons or entities necessary to perform the **CUSTOMER** Work. Without limiting the foregoing, **CUSTOMER** shall be responsible for environmental compliance, permitting, management, control, construction, and inspection necessary to fully and properly complete the **CUSTOMER** Work.

**2.2.5 Work Area:** **CUSTOMER** shall require the **CUSTOMER** Contractor to coordinate with Tacoma Power's "Resident Engineer" to ensure Tacoma Power has accessible and adequate work areas so as to not unreasonably delay or interfere with the performance of the Tacoma Power Work within the Cedar Springs PDD.



**2.2.6 Surveying/Staking and Documentation:** CUSTOMER Contractor shall provide all surveying, staking, and elevations identification as requested in writing by Tacoma Power as necessary to allow complete performance of the Tacoma Power Work within the Cedar Springs Project Area. Staking shall be completed within five (5) business days of receipt of such notice.

At the conclusion of the Cedar Springs Project, CUSTOMER shall perform and complete surveying work, and prepare as-built documentation and drawings based thereon, for all Cedar Springs Project electrical facilities and utility installations as necessary to (i) identify and establish easements and other property access rights granted to Tacoma Power hereunder, and (ii) enable Tacoma Power to obtain further formal easement or property access rights as set forth in Section 2.2.3 above. Such surveying, documentation, and drawings shall include, but not be limited to, all conduits, vaults, cabling, pad mounted equipment, and secondary service boxes (SSB) equipment installations.

**2.2.7 Clearing & Grubbing:** CUSTOMER Contractor shall provide and perform all required clearing and grubbing requested in writing by Tacoma Power as necessary to allow complete performance of the Tacoma Power Work. Clearing and grubbing shall be done in a timely manner as to not unreasonably delay or interfere with the Tacoma Power Work.

**2.2.8 Electrical Service Cancellations:** CUSTOMER Contractor shall timely submit to Tacoma Power service cancellation requests for all service property located within the Cedar Springs Project Area and/or impacted by the Cedar Springs Project so as not to unreasonably delay or interfere with the Tacoma Power Work. For service properties not owned or controlled by CUSTOMER, CUSTOMER will contact service customers and coordinate service cancellation requests by the customer as necessary to ensure that all required service cancellation requests are timely received by Tacoma Power to avoid delay of the Tacoma Power Work.

**2.2.9 Coordination with other Utilities:** CUSTOMER Contractor shall coordinate with other utilities to ensure the Tacoma Power Work is not unreasonably delayed or interfered with.

## **2.3 Schedule of Work**

**2.3.1 Schedule for Cedar Springs Project, CUSTOMER Work and/or Tacoma Power's Work.** Prior to commencement of any CUSTOMER Work or any work on the Cedar Springs Project that may impact the Tacoma Power Work, CUSTOMER shall provide to Tacoma Power the CUSTOMER Contractor's proposed schedule(s) for the completion of the CUSTOMER Work and other Cedar Springs Project work that may impact or be dependent upon the Tacoma Power Work.

- A. The Parties will, in good faith, develop and agree upon a schedule of work for the Tacoma Power Work including schedule stages and milestones, notice

requirements or other schedule-related issues ("Schedule of Work"). The Schedule of Work shall consider and reflect the following:

- Tacoma Power estimates 90 days of work for its forces.
- For scheduling purposes, this work is expected to be on a straight time basis. If additional work is required see Article 4
- Weather conditions may impede this work plan.
- Emergency operations will take precedence on Tacoma Power's work force commitments.
- Tacoma Power's work schedule and priorities will be developed in coordination with the **CUSTOMER** Project Manager.
- Permits must be obtained by the **CUSTOMER** Contractor before setting the schedule of work.

- B. **CUSTOMER** Contractor will administer its construction work and activities in accordance with the agreed upon schedule of work and timely notify Tacoma Power of any scheduling changes related to the Cedar Springs Project that are expected to materially impact the **CUSTOMER** Work and/or Tacoma Power's Work. **CUSTOMER**'s Project Manager shall coordinate with Tacoma Power's Resident Engineer as necessary to avoid delays to **CUSTOMER** Contractor performance.
- C. Following commencement of the **CUSTOMER** Work, Tacoma Power shall timely notify **CUSTOMER** Project Engineer in writing of any changes in the schedule of Tacoma Power Work that are expected to impact the **CUSTOMER** Work and **CUSTOMER** Contractor shall exercise good faith efforts to incorporate such changes into its construction schedules to minimize any delay or adverse impacts.

2.3.2 The Schedule of Work shall incorporate the work to be performed by **CUSTOMER** Contractor for Tacoma Power, which will include work on existing and new underground facilities as described in **Exhibit A**, in order to maintain continuous electrical service to Tacoma Power customers and/or avoid delay to Tacoma Power Work.

## 2.4 Changes to Design Documents.

2.4.1 In the event Tacoma Power submits a written change in **Exhibits A or B** after commencement of the **CUSTOMER** Work, **CUSTOMER** shall have ten (10) business days following receipt to review and approve any such submittal; which approval shall not be unreasonably withheld. Should **CUSTOMER** not approve the change as submitted, **CUSTOMER** shall provide written comments to Tacoma Power specifying the reasons for non-approval.

2.4.2 In the event **CUSTOMER** requests a change in **Exhibit A** after commencement of the **CUSTOMER** Work, **CUSTOMER** shall provide Tacoma Power

with written notice specifying the basis and scope of such proposed change. Within ten (10) business days following receipt of such notice, Tacoma Power shall review such request and either (i) approve such change and modify the **Exhibits** accordingly, which approval shall not be unreasonably withheld, or (ii) provide written comments to **CUSTOMER**.

**2.4.3** All proposed or actual changes to **Exhibit A** requested by **CUSTOMER**, which result in a cost increase over the **Preliminary Cost Estimates, (Exhibit C)** shall be paid solely by **CUSTOMER**. All proposed or actual changes to **Exhibit A** requested by Tacoma Power that result in such cost increase shall be governed by **Article 4** below. The Parties agree to work cooperatively to timely resolve any disputes arising out of the review process for changes to the **Exhibits**, using the process set forth below in **Article 8**.

### **ARTICLE 3 – PAYMENT OBLIGATIONS OF CUSTOMER**

#### **3.1 Payment.**

**CUSTOMER** agrees that it shall be responsible for payment of all of the City's actual Direct Costs, as defined herein, related or attributable to the Cedar Springs Project. **CUSTOMER**' payment obligation for Phase I of Tacoma Power's design, Inspection Work, and Tacoma Power Work to be performed hereunder is estimated at **\$183,664.99**, as more fully described in the **Preliminary Cost Estimate (Exhibit C)**. The Preliminary Cost Estimate set forth in **Exhibit C** may be modified based on (i) the procedures for changes to the Design Documents and/or adjustment of costs as provided in Section 2.4, or (ii) **Article 4** of this Agreement. Said payment obligation is based on a preliminary estimate of the Phase I cost for Tacoma Power design, Inspection Work, and Tacoma Power Work to be performed hereunder and reflects the Parties' best estimates of the Direct Costs that may be incurred by Tacoma Power under this Agreement. Actual payments required under this Agreement shall be based on actual work performed and materials provided under this Agreement. In the event it is determined that the scope of work for which Tacoma Power is responsible hereunder has been accomplished for a lesser amount than identified in this Agreement, **CUSTOMER** shall only pay for actual Direct Costs.

#### **3.2 Invoices & deposits.**

Upon mutual execution of this Agreement **CUSTOMER** shall tender an Initial Payment to Tacoma Power for Phase I in the total amount of **\$183,664.99**. Said Initial Payment represents pre-payment of estimated Direct Costs. The Initial Payment equals the Preliminary Cost Estimate. Subject to the terms and conditions of this Agreement, **CUSTOMER** shall, within thirty (30) days of receipt of any further invoices, reimburse Tacoma Power for any Direct Costs incurred in excess of said Preliminary Cost Estimate. It is agreed that Tacoma Power will not begin actual construction activities associated with the Tacoma Power Work beyond temporary power and overhead and undergrounding power additions and modifications until the Initial Payment has been

paid and Tacoma Power may cease performance hereunder if any invoiced amount is not paid within thirty (30) days following issuance.

**3.3. Records.** Tacoma Power shall, in accordance with its standard processes and procedures, keep records of the Direct Costs using a work order accounting system.

**3.4** Invoices shall be mailed to:

**CUSTOMER:**

**CUSTOMER-Accounts Payable**

Cedar Springs Associates, LLC  
Attention: Rick Lauritzen  
118 Violet Meadow Street South  
Tacoma, WA 98444-5532  
253-255-1717(cell) 253-539-1424(work)  
icsrick@comcast.net

**3.5 Payment.** **CUSTOMER** shall fully pay each invoice submitted by the City within 30 calendar days of receipt of the invoice. Checks shall be made payable to the Treasurer, City of Tacoma and shall be mailed to:

City of Tacoma  
Department of Public Utilities, Power Division  
Attn: Renata Knutson, Power Distribution Supervisor II  
T&D Business & Financial Management  
3628 South 35<sup>th</sup> Street  
Tacoma, WA 98409-3192  
(253)-502-8040 Office  
[rknutson@cityoftacoma.org](mailto:rknutson@cityoftacoma.org)

In the event **CUSTOMER** fails to pay any monies to the City as and when due hereunder, **CUSTOMER** shall pay interests on such unpaid sum from thirty (30) calendar days after the date due at an annual rate equal to twelve percent (12%) per annum, or the maximum rate permitted by law, whichever is less. Tacoma Power reserves the right to suspend performance hereunder, including but not limited to construction activities, for non-payment.

Notwithstanding any contested invoice by **CUSTOMER**, per Section 3.6 below, **CUSTOMER**, shall make full payment on all invoices issued by Tacoma Power.

**3.6 Contested charges.** **CUSTOMER** may contest a charge for any Tacoma Power Work detailed in an invoice within 30 days of receipt of such invoice by providing written notice to Tacoma Power specifying the charges and/or documentation in dispute. Upon

receipt of such notice, Tacoma Power will investigate items contested and make appropriate amendments to the invoice, if necessary. If warranted, Tacoma Power will arrange a meeting between the Parties to discuss **CUSTOMER** concerns as specified in its written notice. The Parties shall attempt to resolve all disputes within 30 days of the date of notice of a contested invoice. At or before the end of said period, **CUSTOMER** shall submit any outstanding items to Dispute Resolution as provided in **Article 8**. It is further agreed that at the time of a final audit, all required adjustments will be made and reflected in a final payment. Interest shall not accrue on the contested part of any billing until mutually resolved. **CUSTOMER** will not unreasonably contest any bill.

**3.7 Refund.** Upon completion of the Cedar Springs Project, the actual Direct Costs incurred by Tacoma Power will be compared with the estimated costs, invoice payments, and remaining minimum deposited amount. If an overpayment to Tacoma Power exists then a refund will be made to **CUSTOMER** within 60 days. If an underpayment to Tacoma Power exists then **CUSTOMER** shall tender such amount within 60 days.

**3.8 Audit.** During the progress of the Parties work under this Agreement and for a period not less than three (3) years from the date of final payment to the City, the records and accounts pertaining to the Parties' work under this Agreement and accounting therefore are to be kept available for inspection and audit by either Party. Copies of all records, accounts documentation or other data pertaining to the Cedar Springs Project will be made available for inspection, copying, or audit upon written request by either Party. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claim or audit finding has been resolved even though such litigation, claim or audit continues past the three-year retention period.

In the event a written request to audit is received, the recipient Party agrees to cooperate fully with the auditor or independent auditor chosen, retained, and paid by the requesting Party. In the event the audit determines that **CUSTOMER** has paid Tacoma Power in excess of the amounts properly due hereunder, Tacoma Power will promptly refund the excess amount to **CUSTOMER**. In the event the audit determines that Tacoma Power has incurred costs for its design, Inspection Work, and/or the Tacoma Power Work that exceeds payment made by **CUSTOMER**, **CUSTOMER** shall promptly pay Tacoma Power the amount owed. In the event the Parties cannot agree on the results of the audit, or upon a method of refund or payment, the disagreement shall be dealt with in accordance with the Dispute Resolution provisions of **Article 8** below.

#### **ARTICLE 4 - EXTRA WORK**

In the event either Party identifies additional work, other than additional work due to unforeseen conditions, that require an increase over the Preliminary Cost Estimate for the Tacoma Power Work as set forth in **Exhibit C**, the Party asserting such additional work will provide written notice thereof to the other Party. The Parties agree to negotiate in good faith to modify this Agreement to authorize any increased payment resulting

from such additional work. For additional costs due to unforeseen conditions, **CUSTOMER** shall be responsible for and pay such costs.

Actual or proposed cost increases of less than \$10,000.00 over the amount set forth in **Exhibit C** will not require formal approval by **CUSTOMER** to be chargeable by, and paid to, the City. Any necessary authorization(s) for payment shall be processed in a timely manner to avoid delaying work by Tacoma Power and/or the **CUSTOMER** Contractor.

Actual or proposed cost increases of \$10,000.00 or more over the amount set forth in **Exhibit C**, including payment for increased work and/or a substantial change in the scope of the Tacoma Power Work, shall be limited to Direct Costs allowed by written modification, change order, or extra work orders which are to be pre-approved by the Parties and pre-paid by **CUSTOMER**.

## **ARTICLE 5 – PROJECT ADMINISTRATION AND REPRESENTATIVES**

**5.1** It is acknowledged that **CUSTOMER**, by and through the **CUSTOMER** Contractor, shall be responsible for all administrative activities required for the Cedar Springs Project except as expressly agreed otherwise hereunder. It is further acknowledged that such administrative activities shall ensure all **CUSTOMER** Work is completed to Tacoma Power standards and that in no event shall performance of Inspection Work by Tacoma Power personnel result in delegation to, or assumption by, Tacoma Power of any duty to complete and pay for such work or of any other obligation or responsibility of **CUSTOMER** hereunder.

**5.2 Permits.** Except as otherwise specifically provided herein, **CUSTOMER** shall be responsible, at its sole expense, for acquiring all necessary permits, including but not limited to construction easements, or other governmental approvals necessary to perform and complete the Cedar Springs Project. Tacoma Power shall not be responsible for securing any permits or easements for the prosecution of the **CUSTOMER** Work. The Parties agree that **CUSTOMER** may assign responsibility to the **CUSTOMER** Contractors for obtaining any permits necessary for performance of the **CUSTOMER** Work.

**5.3 Administration.** The following designated individuals shall be responsible for administering the joint and cooperative undertaking of the Cedar Springs Project as described herein:

**5.3.1** Tacoma Power's Resident Engineer shall be **Aba Adjepong**. All Cedar Springs Project related work, including correspondence with Tacoma Power, review and approval of changes to Design Documents, scheduling, participation, and other activities related to the **CUSTOMER** Work and the Tacoma Power Work shall be coordinated through said Resident Engineer.

**5.3.2 CUSTOMER** Project Manager shall be **Larry Loete**. All Cedar Springs Project related work including, but not limited to, **CUSTOMER** Work and Tacoma Power Work correspondence with **CUSTOMER** regarding the administration of this Agreement shall be coordinated through said Project Manager. The issuance of approved changes to the Design Documents will be handled by the **CUSTOMER** Project Manager.

Larry Loete  
Cedar Springs PDD  
Project Manager  
118 Violet Meadow Street South  
Tacoma, WA 98444-5532  
Cell Phone: (253) 389-4677  
Ldl69bh@gmail.com

**5.3.3** The foregoing designation of Project Manager shall not modify or supersede the dispute escalation process or designated Party representatives set forth in **Article 8**.

#### **5.4 Field Representatives**

**5.4.1 Tacoma Power's Designated Field Representative.** Tacoma Power has designated its Field Representatives below. The Field Representative will be present to assure that Tacoma Power standards are followed, to coordinate any work with Tacoma Powers dispatch office, to assure proper as built documentation is recorded, and to communicate with Tacoma Power's Resident Engineer.

Aba Adjepong- Power Engineer II  
Tacoma Power  
3628 South 35<sup>th</sup> Street  
Tacoma WA, 98409-3192  
(253) 502-8306 Office & (253) 389-8939 Mobile  
Email aadjepong@cityoftacoma.org

Matthew Farrington- Utility Service Specialist  
Tacoma Power  
3628 South 35<sup>th</sup> Street  
Tacoma WA, 98409-3192  
(253) 502- 8574 Office & (253) 307-5669 Mobile  
Email mfarrington@cityoftacoma.org

**5.4.2 CUSTOMER's Designated Field Representative.** **CUSTOMER's** Project Manager shall be designated as its field representative. The Project Manager will be in control of the construction site and handle all scheduling, inspection, approval, change orders and other construction activities relating to the work under this Agreement. All

communications between Tacoma Power and the **CUSTOMER** Contractors shall be made through **Customer's** Project Manager and Tacoma's Resident Engineer.

**5.5 Notices.** Except for routine day to day communications or as otherwise specified in **Exhibit A**, all notices which may be or are requested to be given pursuant to this Agreement shall be in writing and be deemed given when personally delivered, or when deposited in the United States mail, postage prepaid, and marked registered or certified mail, return receipt requested, and addressed to the parties at the following addresses unless otherwise provided for herein:

**To Tacoma Power:**

Aba Adjepong- Power Engineer II  
Tacoma Power  
3628 South 35<sup>th</sup> Street  
Tacoma WA, 98409-3192  
(253) 502-8306 Office & (253) 389-8939 Mobile  
Email [aadjepong@cityoftacoma.org](mailto:aadjepong@cityoftacoma.org)

**With a copy to:**

City of Tacoma  
Department of Public Utilities, Power Division  
Attn: Renata Knutson, Power Distribution Supervisor  
T&D Business & Financial Management  
3628 South 35<sup>th</sup> Street  
Tacoma, WA 98409-3192  
(253)-502-8040 Office  
[rknutson@cityoftacoma.org](mailto:rknutson@cityoftacoma.org)

**To CUSTOMER:**

Larry Loete  
Cedar Springs PDD  
Project Manager  
118 Violet Meadow Street South  
Tacoma, WA 98444-5532  
Cell Phone: (253) 389-4677  
[Ldl69bh@gmail.com](mailto:Ldl69bh@gmail.com)

Either Party may change the address to which notices shall be sent by providing written notice of such change to the other Party.

**ARTICLE 6 - INSPECTION AND ACCEPTANCE OF PROJECT WORK**

**6.1 Timely Inspection/Approvals.** In coordination with the **CUSTOMER** Project Manager and as the work progresses, Tacoma Power shall be invited to conduct



reasonable and timely inspection of each stage of the **CUSTOMER** Work. **CUSTOMER** Contractor shall give at least two (2) business days' prior notice to Tacoma Power of when work items are scheduled to be performed and are ready for Inspection Work. As stages are completed, Tacoma Power will provide approvals or rejections pursuant to the process in Section 6.2.

**6.2 Sequencing of Inspections/Approvals/Acceptance.** The **CUSTOMER** Work will be conducted in stages that require inspections and approvals from Tacoma Power before the **CUSTOMER** Contractor proceeds with the next stage of the **CUSTOMER** Work and/or before Tacoma Power proceeds with certain Tacoma Power Work. The sequence of inspections, approvals and final acceptance is as follows:

- (a) Inspections. Tacoma Power will provide regular inspection activities as coordinated with **CUSTOMER** Project Manager via regular communications. If Tacoma Power discovers that the particular elements of the **CUSTOMER** Work were not performed, or installed per **Exhibit A**, then Tacoma Power shall give prompt notice to the Project Manager of said defect(s) and what work remains to be done. Tacoma Power shall endeavor to complete its inspections and notice of approval or rejection in less than two (2) business days. **CUSTOMER** and/or the **CUSTOMER** Contractor will direct all applicable sub-contractors to, promptly re-perform or make repairs to the **CUSTOMER** Work as necessary to fully comply with **Exhibit A**. Following its inspection and approval, Tacoma Power shall be allowed to use and operate the completed stage of the **CUSTOMER** Work as part of its utility system.
- (b) Final Inspection. At the completion of all the **CUSTOMER** Work for Phase I, the Project Manager will schedule a final inspection with Tacoma Power's Resident Engineer & Tacoma Powers Construction Inspector, and Tacoma Power shall have five (5) working days after receipt of written notice from **CUSTOMER** Contractor to accept or reject the completed **CUSTOMER** Work ("Final Inspection"). If Tacoma Power discovers that the particular stage or element of the **CUSTOMER** Work was not performed or installed per **Exhibit A**, then Tacoma Power shall give prompt written notice to the Project Manager of said defect(s) and what work remains to be done. Upon receipt of such notice, the **CUSTOMER** Contractor will, directly or through its sub-contractor(s), promptly re-perform or make repairs to the **CUSTOMER** Work as necessary to fully comply with **Exhibit A**, unless it is reasonably demonstrated that the specified defects are the direct result of actions or omissions by Tacoma Power.
- (c) Final Acceptance. After Tacoma Power has connected the **CUSTOMER** Work to its utility system, Tacoma Power will be asked to provide its Final Acceptance of the **CUSTOMER** Work. Tacoma Power's final acceptance of **CUSTOMER**, work shall occur only when Tacoma Power is satisfied that (i) all such work is completed in accordance with **Exhibit A**, and (ii) all items indicated on Tacoma Power Inspector's punch list have been completed. Upon such final acceptance,

Tacoma Power's Resident Engineer shall provide written notice thereof to **CUSTOMER** Project Manager.

Nothing in Tacoma Power's inspection, approval, or acceptance of the **CUSTOMER** Work shall reduce or waive **CUSTOMER** Contractor's responsibility for performance and full and proper completion of **CUSTOMER** Work.

### 6.3 Warranties and Performance Bond.

- (a) Warranties. **CUSTOMER** fully warrants the **CUSTOMER** Work, which warranty shall include all contractor and manufacturer's warranties it obtains and/or may assert in connection with said work. **CUSTOMER**, or the **CUSTOMER** Contractor as applicable, will assign all rights under said warranties to the Tacoma Power with respect to all electrical facilities of the **CUSTOMER** Work that support or are included in the meter –switch room.
- (b) Bonds. To ensure full and complete satisfaction of its obligations hereunder, **CUSTOMER** or the **CUSTOMER** Contractor shall obtain and furnish to Tacoma Power a performance bond for the cost of the **CUSTOMER** Work directly related to electrical facilities, together with the estimated additional Direct Costs Tacoma Power may reasonably incur in the event of a significant default hereunder. Such bond shall:
  - (1) Be in the amount of not less than \$183,664.99;
  - (2) Name the City of Tacoma, Department of Public Utilities, Light Division, as the sole obligee thereunder;
  - (3) Be in a form acceptable to the Tacoma Power's legal counsel; and
  - (4) Be delivered to Tacoma Power prior to commencement of any Tacoma Power Work, or within five (5) business days following the Effective Date of this Agreement, whichever shall first occur.

**6.4 Ownership/Use.** Tacoma Power shall own all power supply and distribution facilities installed pursuant to this Agreement up to the demarcation points identified in the Design Documents specifically including, but not limited to, the conduits and vaults installed as the result of the **CUSTOMER** Work. **CUSTOMER** shall own and be solely responsible for all Cedar Springs Project electrical facilities on the customer side of said demarcation points; provided that Tacoma Power will be given exclusive access to any such facilities while under construction. Upon receiving notice of final acceptance and approval from Tacoma Power Construction Inspector, **CUSTOMER** shall transfer control of the completed **CUSTOMER** Work to Tacoma Power for its use, occupancy, operation and maintenance. Tacoma Power shall thereafter install equipment, cabling, and other miscellaneous fixtures and devices.

Tacoma Power will be responsible for the operation and maintenance of said utility meters and components, conduits, vaults, pad mounted equipment and primary & secondary power cables.

## ARTICLE 7 - LEGAL RELATIONS

**7.1 Indemnification by City.** To the extent permitted by law, the City shall protect, defend, indemnify, and save harmless **CUSTOMER**, and its officers, employees, and agents, while acting within the scope of their employment, from any and all third party claims, demands, judgments, damages, or liability of any kind including injuries to persons or damages to property, including reasonable attorney's fees and costs incurred in connection therewith, which arise out of, or in any way result from, or are connected to, or are due to the negligent acts or omissions of the City, its employees, agents and/or contractors in performing the Inspection Work and/or Tacoma Power Work under this Agreement. The foregoing defense, indemnification and hold harmless provisions shall not apply if the claim, suit, or action for injuries, death, or damages is caused by the negligence or misconduct of **CUSTOMER** and/or the **CUSTOMER** Contractor, or their respective officers, employees, agents or contractors. Where such claims, suits, or actions result from concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the indemnifying Party's own negligence. The City agrees that its obligations under this indemnification section extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents.

**7.2 Indemnification by CUSTOMER.** To the extent permitted by law, **CUSTOMER** shall protect, defend, indemnify, and save harmless the City, and its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all third party claims, demands, judgments, damages, or liability of any kind including injuries to persons or damages to property, including reasonable attorney's fees and costs incurred in connection therewith, which arise out of, or in any way result from, or are connected to, or are due to the negligent acts or omissions of **CUSTOMER**, the **CUSTOMER** Contractor, and/or their respective officers, employees, agents or contractors in performing the **CUSTOMER** Work under this Agreement. The foregoing defense, indemnification and hold harmless provisions shall not apply if the claim, suit, or action for injuries, death, or damages is caused by the negligence or misconduct of the City, its employees, agents and/or contractors. Where such claims, suits, or actions result from concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the indemnifying Party's own negligence. **CUSTOMER** agrees that its obligations under this indemnification section extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents and/or by the **CUSTOMER** Contractor or their employees, agents or sub-contractors.

**7.3** For purposes of the indemnification provisions set forth in this Article 7, each Party hereby waives, with respect to the other only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. EACH PARTY EXPRESSLY RECOGNIZES THAT THIS WAIVER WAS THE SUBJECT OF MUTUAL NEGOTIATION. Such waiver shall not, however, be construed as establishing any independent right or cause of action by employees of **CUSTOMER** against it or by employees of Tacoma Power against it. In the event of any claims,

demands, actions and lawsuits, the indemnifying Party upon prompt notice from the indemnified Party shall assume all costs of defense thereof, including legal fees incurred by the indemnified Party, and of all resulting judgments that may be obtained against the indemnified Party. In the event that a Party incurs attorney fees, costs or other legal expenses to enforce the provisions of this section, all such fees, costs and expenses shall be recoverable by the prevailing Party. This indemnification shall survive the termination of this Agreement.

#### 7.4 Insurance.

7.4.1 CUSTOMER Coverages. **CUSTOMER** or the **CUSTOMER** Contractor that will perform the **CUSTOMER** Work shall not commence work under this Agreement until all required insurance has been obtained and such insurance has been approved by the City. It is **CUSTOMER** responsibility to ascertain that all contractors including, but not limited to, the **CUSTOMER** Contractor (and each of its affiliated sub-contractors that participate in performance of **CUSTOMER** Work), shall have the insurance as required by this Agreement at all times during performance of the **CUSTOMER** Work. The insurance coverages required herein shall be maintained and effective at all times any such work is being performed.

- (a) Workers Compensation Insurance. **CUSTOMER** shall, at all times during the life of this Agreement, fully comply with all of the terms and conditions of the laws of the State of Washington pertaining to Workers' Compensation together with any and all amendments and supplements thereto and any and all regulations promulgated there-under. In the event any of the **CUSTOMER** Work herein is sublet, **CUSTOMER** shall require the **CUSTOMER** Contractor, and all other contractors and sub-contractors performing work on the Cedar Springs Project, other than Tacoma Power, to fully comply with all of the terms and conditions of the laws of the State of Washington pertaining to Workers' Compensation. For persons engaged in employment who are not within the mandatory coverage of the state Workers' Compensation laws, **CUSTOMER** shall provide and shall cause the **CUSTOMER** Contractor and each and every other said contractor and subcontractor to provide compensation insurance (including self-insurance if it otherwise meets all requirements of state Workers' Compensation laws), satisfactory to the City, at least equivalent to the benefits provided for covered employment under state Workers' Compensation laws.
- (b) Public Liability and Property Damage Insurance. **CUSTOMER** shall procure and maintain during the life of this Agreement, a policy of commercial general liability insurance, with an insurance carrier authorized to do business in the State of Washington. The policy shall be approved as to form and content by the Tacoma City Attorney and shall protect the City from liability imposed by law for damages suffered by any persons arising out of or resulting from acts or omissions in the performance of this Agreement: (1) for bodily injury or death resulting therefrom caused by accidents or occurrences resulting from any act or omission by **CUSTOMER**, the **CUSTOMER** Contractor, and their respective

employees, agents, and other contractors in the performance of the Agreement, and (2) for injury to, or destruction of, any property; including property of the City, and including loss of use. The policy or policies shall include coverage for claims for damages because of bodily injury or death or property damage arising out of the ownership, maintenance or use of any motor vehicle, including hired or non-owned vehicles. The City of Tacoma, Department of Public Utilities, Power Division shall be designated in said policy as a primary additional named insured and shall be given 30 days written notice of cancellation, nonrenewal, or material change in the coverage provided. Said insurance shall be on a Commercial General Liability form with coverages to include Blanket Contractor, Broad Form Property Damage, Personal Injury, Protective Liability and Employers Liability. Limits shall be at \$1,000,000 per occurrence, \$2,000,000 aggregate and for contracts in excess of \$500,000 the minimum coverage limits include Umbrella Excess Liability of \$5,000,000. **CUSTOMER** shall further furnish CGL policy coverage provisions or endorsements specifying that the City's insurance is excess to any other collectible insurance. **CUSTOMER** shall furnish evidence of the amount of any deductible or self-insured retention under the CGL policy or policies, which amount shall be subject to approval by the City Attorney's Office for the City of Tacoma if the amount of the deductible or self-insured retention exceeds \$20,000. The City may require **CUSTOMER** to furnish evidence of its ability to pay the amount of any deductible or self-insured retention. If the policy provides for a deductible or self-insured retention, **CUSTOMER** shall be solely responsible for paying the amount of the deductible or self-insured retention toward the cost of any claim under the policy. If **CUSTOMER** fails to maintain such insurance, the City, at its discretion, may obtain equivalent substitute insurance coverage and be entitled to full reimbursement and payment of its costs thereof. Nothing herein contained shall be in any manner construed as limiting the extent to which **CUSTOMER** or its contractor(s) may be held liable or responsible for payment of damages resulting from their operations.

- (c) Builder's Risk. **CUSTOMER** and the **CUSTOMER** Contractor shall be expected to protect and insure from loss for any tools and equipment owned or rented by **CUSTOMER** and/or the **CUSTOMER** Contractor, and each of their respective sub-contractors, employees or agents. Until the **CUSTOMER** Work is completed and finally accepted by the City, all construction is at the sole risk of **CUSTOMER** and no acceptance of payment by the City shall constitute acceptance of the **CUSTOMER** Work or relieve **CUSTOMER** of responsibility to deliver to the City the completed **CUSTOMER** Work as required by this Agreement.
- (d) Proof of Insurance Coverage. **CUSTOMER** shall furnish and file with the City, within ten business days of the Effective Date of this Agreement, a certificate of insurance coverage together with policy endorsements verifying the insurance coverage types and limits required herein. An up-to-date certificate of insurance must be on file with the City throughout the term of this Agreement. The City may, at the time the Agreement is executed or at any other time, require **CUSTOMER** to furnish and file with the City a certified true copy of the insurance

policy or policies, together with a letter from the insurance carrier verifying that the premium has been paid for the period indicated. The policy or policies shall be approved as to form and content by the City Attorney.

## ARTICLE 8 - DISPUTE RESOLUTION

**8.1 Preventing Conflicts.** The Parties agree to use their best efforts to prevent and resolve potential sources of conflict before they escalate into dispute, claims or legal actions.

**8.2 Resolving Disputes through Negotiation.** The Parties agree to use their best efforts to resolve disputes arising out of or related to this Agreement using good faith negotiations by engaging in the following dispute escalation process should any such disputes arise:

8.2.1 Level One – The Project Manager and Resident Engineer of the Parties shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within ten (10) business days after the referral of that dispute to Level One, either party may refer the dispute to Level Two.

8.2.2 Level Two – An executive officer of **CUSTOMER** or designee and the Superintendent of Tacoma Power or his designee shall meet to discuss and attempt to resolve the dispute in a timely manner.

**8.3 Failure to Resolve Dispute through Best Efforts.** Except as otherwise specified in this Agreement, in the event the dispute is not resolved at Level Two within ten (10) business days after referral of that dispute to Level Two, the dispute may be referred to mediation as mutually agreed to by the Parties, or the Parties may exercise whatever other rights they may have at law or in equity. At all times prior to resolution of the dispute, the Parties shall continue to perform their respective duties under this Agreement in the same manner and under the terms as existed prior to the dispute.

**8.4 Venue.** Venue for any alternative dispute proceedings and/or legal action shall be in Pierce County, Washington.

## ARTICLE 9 – MISCELLANEOUS PROVISIONS

**9.1 Termination.** If this Agreement is terminated by **CUSTOMER** and/or if **CUSTOMER** defaults under this Agreement prior to completing all **CUSTOMER** Work, and said termination or default results in a state of reduced operation and reliability to City-owned utilities, then the City shall restore its utility systems to a reliable and operable condition and **CUSTOMER** shall be responsible for and shall promptly pay Tacoma Power all costs associated with such restoration.

**9.2 Agency or Employee Relationship.** No joint venture or partnership is formed as a result of this Agreement. No employees, agents or subcontractors of one Party shall be deemed, or represent themselves to be, employees of any other Party. In performing work and services pursuant to this Agreement, **CUSTOMER**, its employees, consultants, agents, and representatives shall be acting as agents of **CUSTOMER** and shall not be deemed or construed to be employees or agents of the City in any manner whatsoever. **CUSTOMER** shall not hold itself out as, nor claim to be, an officer or employee of the City and will not make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of the City. **CUSTOMER** shall be solely responsible for any claims for wages or compensation by the respective employees, contractors, sub-contractors, agents, and representatives of **CUSTOMER** and the **CUSTOMER** Contractor, and shall defend, indemnify and hold the City harmless, from these claims. In performing work and services pursuant to this Agreement, the City, its, employees, consultants, agents, and representatives shall be acting as agents of the City and shall not be deemed or construed to be employees or agents of **CUSTOMER** in any manner whatsoever.

**9.3 Entire Agreement.** This Agreement and the Exhibits attached hereto constitute the entire agreement and understanding between **CUSTOMER** and the City relating to the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, oral or otherwise, except those expressly set forth or referenced herein.

**9.4 Severability.** In the event that any term, covenant, condition, or provision of this Agreement, or the application of the Agreement to any person or circumstance, is found to be invalid or unenforceable in any respect, the remainder of this Agreement, and the application of such term or provision to other persons or circumstances nevertheless shall be binding with the same effect as if the invalid or unenforceable provision were originally deleted. The Parties agree to bargain in good faith to reform this Agreement or replace any invalid or unenforceable provision with a valid and enforceable provision that comes as close as possible to the intention of the invalid or unenforceable provision.

**9.5 Amendments.** No waiver, modification, addition, or amendment to this Agreement shall be of any force or effect unless reduced to writing and signed by the authorized employees of each Party hereto.

**9.6 Rights and Remedies.** The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of or waiver regarding any duties, obligations, rights, and remedies otherwise available by law. No waiver by either Party hereto of any default shall affect or impair any right arising from any subsequent default. The failure of either Party hereto to insist at any time upon the strict observance or performance of any of the provisions of this Agreement or to exercise any right or remedy provided for in this Agreement shall not impair any such right or remedy nor be construed as a waiver or relinquishment of such right.

**9.7 Force Majeure.** Neither Party hereto shall be liable to the other Party for any failure to perform an obligation set forth herein to the extent such failure is caused by war, act of terrorism or an act of nature, provided that such Party has made and is making all reasonable efforts to perform such obligation and minimize any and all resulting loss or damage. Tacoma Power has a responsibility to restore service after storms before returning to scheduled work. Storm related schedule delays shall not constitute liability.

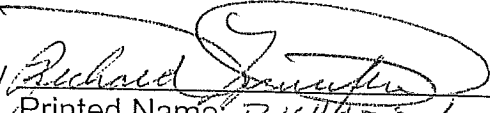
**9.8 Transfer/Assignment.** Neither Party shall assign any interest, obligation, or benefit in this Agreement or transfer any interest in the same, whether by assignment or novation, without prior written consent by the other Party. This Agreement is binding upon, and inures to the benefit of, the Parties and their respective permitted successors and assigns.

**9.9 Benefits.** This Agreement is intended for the sole benefit of the Parties to this Agreement. Nothing in this Agreement is intended to give any person or entity, other than the Parties hereto, any legal or equitable right, remedy, or claim under this Agreement.

**9.10 Authorization To Execute Agreement.** The undersigned, by their respective signatures below, represent and warrant that they are each duly authorized to execute this legally binding Agreement for and on behalf of the Party for whom they have signed. **CUSTOMER** through its undersigned representative expressly acknowledges and agrees that the formal approval of this Agreement by the City of Tacoma's Public Utility Board is a required pre-condition to the effectiveness and enforceability of this Agreement. Tacoma Power shall have no legal or equitable liability hereunder and/or in connection with the Cedar Springs Project unless or until such approval is obtained. Upon such approval, this Utility Installation Agreement shall become effective as of the Effective Date first above written.



CEDAR SPRINGS  
ASSOCIATES, LLC

By   
Printed Name: RICHARD LAURITZEN  
Title: MANAGING MEMBER

Approved:

\_\_\_\_\_  
Legal Counsel for **CUSTOMER**

DISTRICT OF CITY  
DEPARTMENT OF PUBLIC UTILITIES

By \_\_\_\_\_  
Linda McCrea,  
Interim Utilities Director/CEO

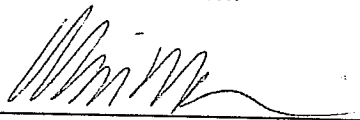
Approved:

By \_\_\_\_\_  
Chis Robinson  
Power Superintendent/COO

Approved:

\_\_\_\_\_  
Finance Director

Approved as to Form:

  
Deputy City Attorney

**Exhibit A  
CUSTOMER WORK**

**Design Documents attached:**

- Tacoma Power Construction Standards located at [mytpu.org](http://mytpu.org)
- U1907-P01-2
- U1907-P03

# NOTES

- CUSTOMER TO FURNISH AND INSTALL EIGHT 444 VAULTS WITH STANDARD LID AND SEVEN 554 VAULTS WITH LID #1 FOR SINGLE-PHASE PADMOUNT TRANSFORMERS PER STD. C-UG-1700, INSTALLED PER STD. A-UG-1200; THREE 444 JUNCTION BOXES WITH LID AND TWO 554 JUNCTION BOXES WITH LID PER STD. C-UG-1500, INSTALLED PER STD. A-UG-1100; FIFTEEN LARGE FIBERGLASS SECONDARY SERVICE BOXES; FIFTEEN 444 SECONDARY SERVICE BOXES PER STD. C-UG-1500; PRIMARY AND SECONDARY TRENCH; 2.5" & 4" SCH. 40 GRAY PVC CONDUIT FOR PRIMARY AND SECONDARY CABLE; TEN FEET OF 2.5" & 4" SCH. 80 GRAY PVC CONDUIT ON STANDOFF BRACKETS AND ONE 2.5" & 4" SCH. 40 PVC OR STEEL ELBOW AT POWER DIV. TERMINAL POLES; ALL SECONDARY CABLES IN CONDUIT FROM SECONDARY SERVICE BOXES TO SERVICE POINTS ON BUILDINGS; AND HEAVY DUTY GUARD POSTS PER STD. C-UG-1400 AS NECESSARY.
- POWER DIVISION TO FURNISH AND INSTALL TRANSFORMERS, PRIMARY CABLE; AND SECONDARY CABLE FROM TRANSFORMERS TO SECONDARY SERVICE BOXES; TO FRAME TERMINAL POLES AND TO COMPLETE RISER ASSEMBLIES; AND TO MAKE PRIMARY AND SECONDARY CONNECTIONS AT TRANSFORMER TERMINALS.
- WHERE POWER DIVISION FACILITIES ARE TO BE INSTALLED, FINAL GRADES MUST BE ESTABLISHED AT NO EXPENSE TO POWER DIVISION AND THESE GRADES MAINTAINED. ANY ALTERATION OF POWER DIV. FACILITIES CAUSED BY OWNER'S CHANGE OF GRADES WILL BE AT OWNER'S EXPENSE.
- PRIMARY CABLE TO HAVE MINIMUM COVER OF 36" IN STREET RIGHTS-OF-WAY AND ON ALL PRIVATE PROPERTY. BOTTOM OF TRENCH SHALL BE 42" MINIMUM WHERE CONDUIT IS USED.
- TRANSFORMERS SHALL ALWAYS BE ACCESSIBLE FOR PURPOSES OF MAINTENANCE & CHANGE OUT. TRANSFORMERS TO BE LOCATED NO CLOSER THAN 8 FEET FROM COMBUSTIBLE BUILDING SURFACES. NO PLANTING TO BE WITHIN 8 FEET OF TRANSFORMERS.
- VERIFY LOCATION OF ALL UNDERGROUND UTILITIES IN THE FIELD.
- SERVICE POINTS SHALL BE CONNECTED AS SHOWN ON THIS FINAL DRAWING. ANY RELOCATION OF SERVICE POINTS MUST BE APPROVED BY THE POWER DIVISION ENGINEER.
- SET VAULTS ON 9" CRUSHED COMPACTED 5/8" GRAVEL PER STD. C-UG-1700.
- CENTURY LINK COMMUNICATIONS, CLICKI, COMCAST CABLE, AND PUGET SOUND ENERGY (GAS) TO OCCUPY COMMON TRENCH WITH TACOMA POWER AS NECESSARY.

## DEVELOPER

RICHARD LAURITZEN  
118 VIOLET MEADOW ST. S  
TACOMA, WA 98444  
PHONE: 253-255-1717

## ENGINEERING CO.

JPS ENGINEERING, LLC  
7411 PRINE DRIVE SW  
OLYMPIA, WA 98512  
PHONE: 360-561-9697

## WATER CO.

RAINIER VIEW WATER COMPANY  
5410 189TH ST. E  
PUYALLUP, WA 98375  
PHONE: 253-682-1579

CEDAR SPRINGS

U1907P01

U1907P02

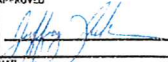
U1907P02 CEDAR SPRINGS

## Legend

- LANDBASE (GIS)
- Street Centerline Line
- UG OBJECTS
- UG Primary Segment, Single Phase, Proposed Install
  - UG Primary Segment, Three Phase, Proposed Install
  - UG Fault Indicator, Proposed Install
  - UG Open Point, Proposed Install
  - UG Secondary, Proposed Install
  - UG Secondary, To SSB
  - UG Transformer Installation, Single Phase, Proposed Install
  - Vault, J-Box, Proposed Install
  - Vault, SSB, 233 / 444, Proposed Install
- CONDUCTOR ANNOTATIONS
- Leader Line

FOR DETAILS  
SEE U1907P03

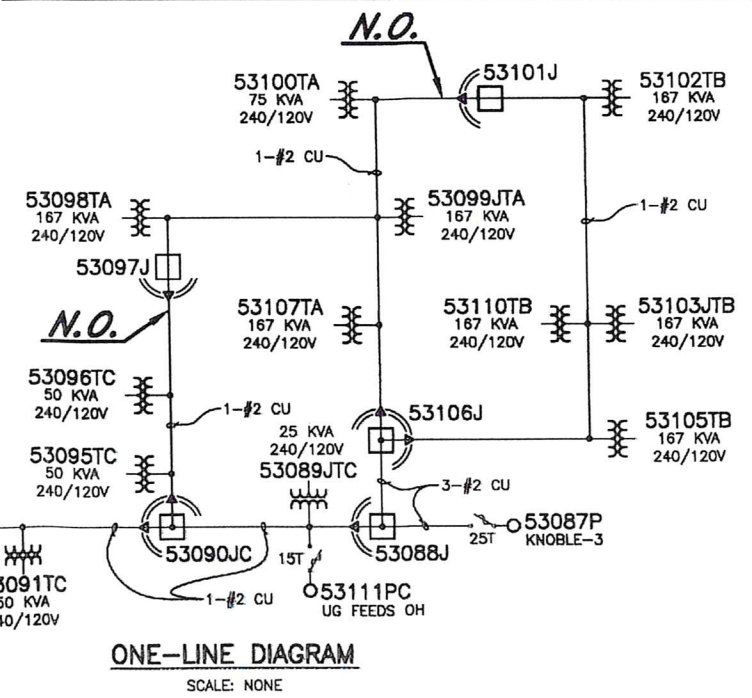
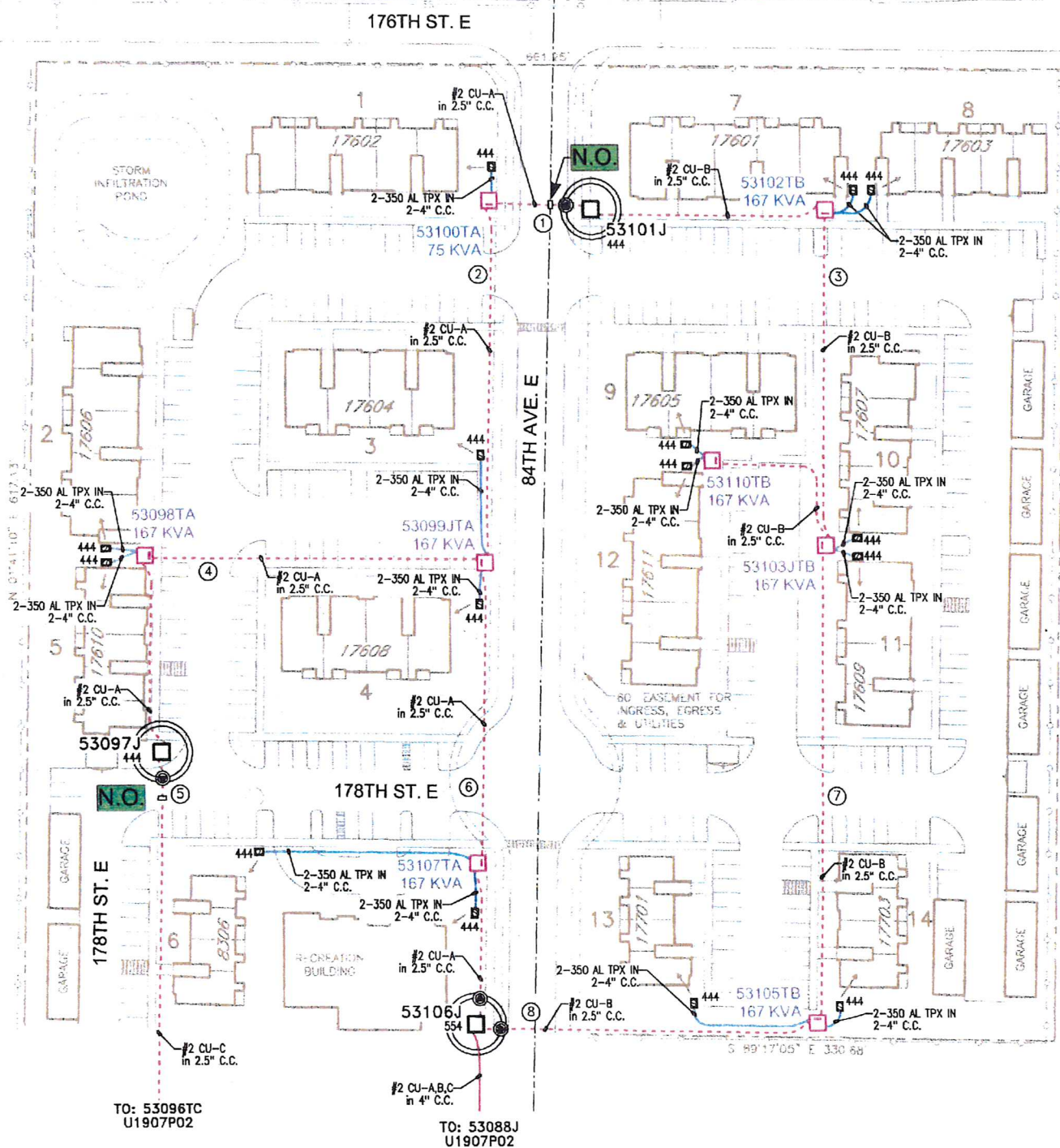
REVISED  
PRELIMINARY  
NOT TO BE USED FOR  
CONSTRUCTION  
PURPOSES  
8-3-17

NO.	DATE	REVISION	BY	CHKD	APPD
CITY OF TACOMA DEPARTMENT OF PUBLIC UTILITIES POWER DIVISION					
CEDAR SPRINGS 84TH AVE. E & 176TH ST. E ELECTRICAL LAYOUT & DETAIL					
APPROVED  MAP			DESIGNED MF	DRAWN MLF	CHECKED AC
SECTION SUPERVISOR			DATE		
NE 32-19-4			DRAWING NO.		
ONE LINE	U.P.L.B.		U1907P01		
N/A	N/A				

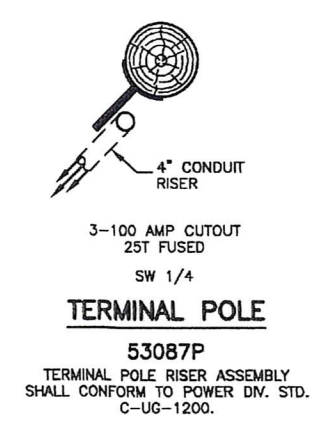
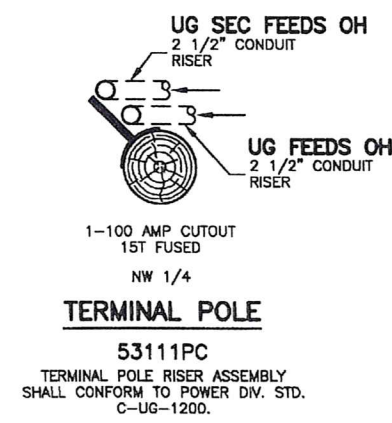
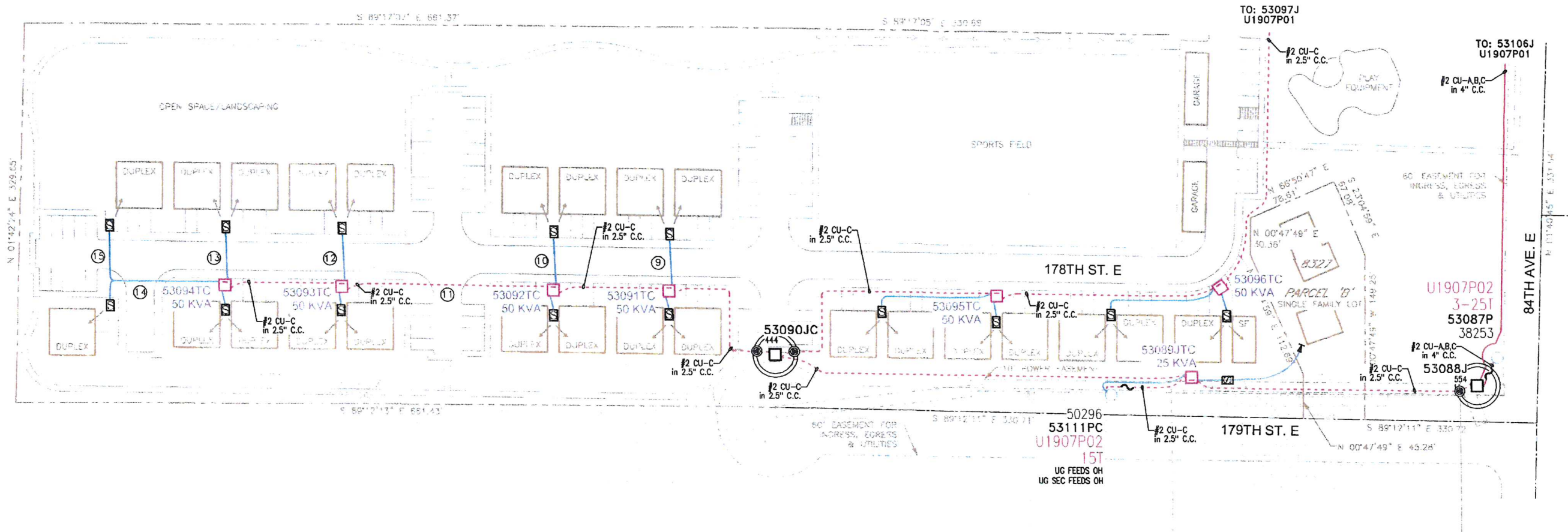
CUSTOMER CIVIL/  
CUSTOMER TRENCH

0 50 100 Feet

DATE REV. NO.







**DEVELOPER**  
RICHARD LAURITZEN  
118 VIOLET MEADOW ST. S  
TACOMA, WA 98444  
PHONE: 253-255-1717

**ENGINEERING CO.**  
JPS ENGINEERING, LLC  
7411 PRINE DRIVE SW  
OLYMPIA, WA 98512  
PHONE: 360-561-9697

**WATER CO.**  
RAINIER VIEW WATER COMPANY  
5410 189TH ST. E  
PUYALLUP, WA 98375  
PHONE: 253-682-1579

CUSTOMER CIVIL/  
CUSTOMER TRENCH  
0 50 100 feet

ENGR.	REV. NO.

CEDAR SPRINGS

U1907P01

U1907P02

U1907P01 CEDAR SPRINGS

Legend

LANBASE [Gis]

Street Centerline Line

STRUCTURES AND ATTACHMENTS

Pole, Primary UG, In-Service

Pole, Primary UG, Proposed Install

DISCONNECT DEVICES

Fused Disconnect Installation, Single Phase, Proposed Install

Fused Disconnect Installation, Proposed Install

UG OBJECTS

UG Primary Segment, Single Phase, Proposed Install

UG Primary Segment, Three Phase, Proposed Install

UG Fault Indicator, Proposed Install

UG Fault Indicator

UG Secondary, Proposed Install

UG Secondary, In Conduit

UG Secondary, To SSB

UG Transformer Installation, Single Phase, Proposed Install

Vault, J-Box, Proposed Install

Vault, SSB, Large, Proposed Install

FOR ONE-LINE DIAGRAM  
SEE U1907P01

FOR DETAILS  
SEE U1907P03

REVISED

PRELIMINARY  
NOT TO BE USED FOR  
CONSTRUCTION  
PURPOSES  
8-3-17

NO.	DATE	REVISION	BY	CHKD	APPD

CITY OF TACOMA

DEPARTMENT OF PUBLIC UTILITIES

POWER DIVISION

CEDAR SPRINGS

84TH AVE. E & 179TH ST. E

ELECTRICAL LAYOUT & DETAIL

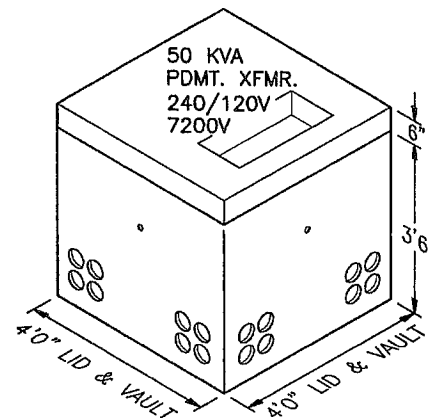
APPROVED	DESIGNED	DRAWN	CHECKED
	MF	MLF	
SECTION SUPERVISOR			
DATE			
DRAWING NO.			

ONE LINE	U.P.L.B.
N/A	N/A

NE 32-19-4

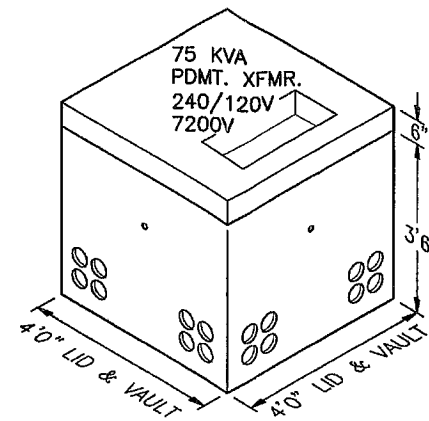
U1907P02

CUSTOMER CIVIL/  
CUSTOMER TRENCH

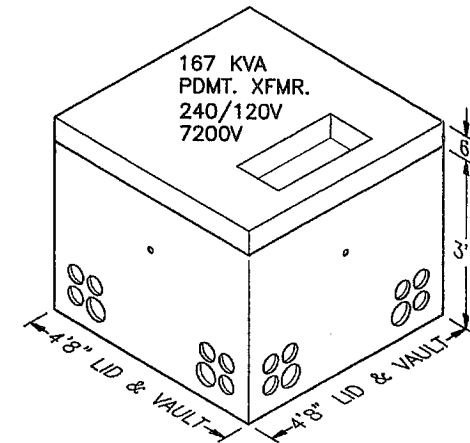


53091TC, 53092TC,  
53093TC, 53094TC, 53095TC, 53096TC  
TRANSFORMER VAULT 444 W/LID

4'-0" X 4'-0" X 3'-6" DEEP VAULT & 4'-0" X 4'-0"  
X 6" THICK LID WITH 28" X 12" ACCESS OPENING PER  
POWER DIV. STD. C-UG-1700 AND STD. A-UG-1200



4'-0" X 4'-0" X 3'-6" DEEP VAULT & 4'-0" X 4'-0"  
X 6" THICK LID WITH 28" X 12" ACCESS OPENING PER  
POWER DIV. STD. C-UG-1700 AND STD. A-UG-1200



4'-8" X 4'-8" X 3'-6" DEEP VAULT & 4'-8" X 4'-8"  
X 6" THICK LID WITH 28" X 12" ACCESS OPENING PER  
POWER DIV. STD. C-UG-1700 AND STD. A-UG-1200

**ENGINEERING COMPANY**  
JPS ENGINEERING, LLC  
7411 PRINE DRIVE SW  
OLYMPIA, WA 98512  
PHONE: 360-561-9697

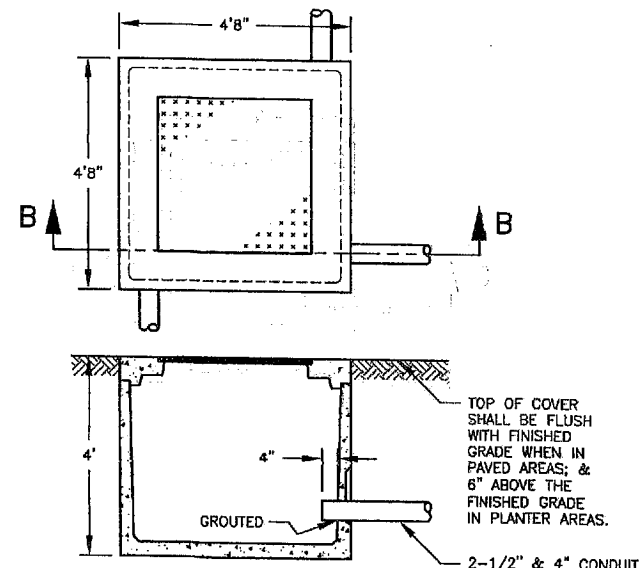
FOR LAYOUT  
SEE U1907P01 & U1907P02

FOR ONE-LINE DIAGRAM  
SEE U1907P01

PRELIMINARY

NOT TO BE USED FOR  
CONSTRUCTION PURPOSES

BY M. Fuemmeler DATE 8-3-17

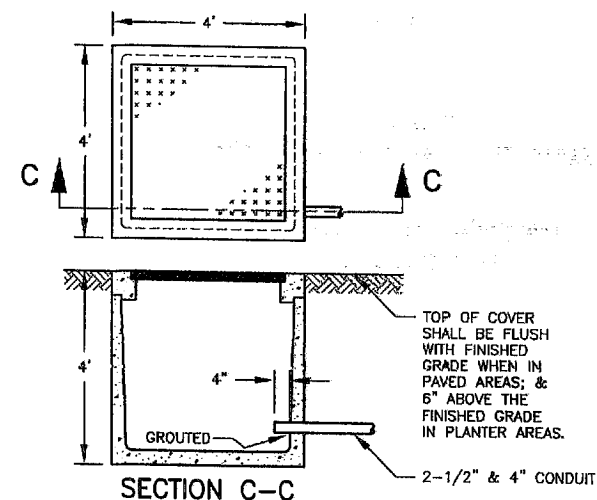


SCALE: 1" = 2'

444 VAULT INSTALLED PER POWER  
DIV. STD. C-UG-1500

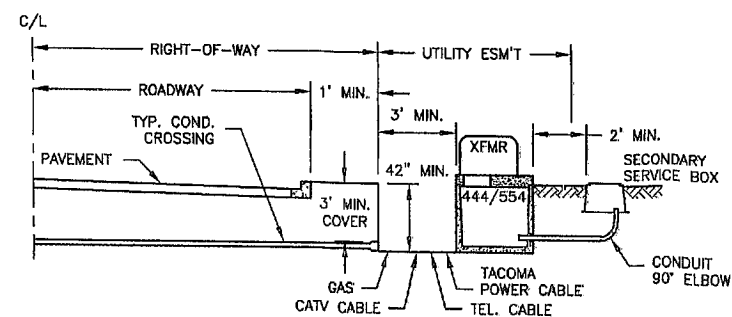
SCALE: 1" = 2'

554 J-BOX INSTALLED PER POWER DIV. STD.  
C-UG-1500 AND STD. C-UG-1100

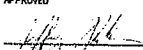


SCALE: 1" = 2'

444 VAULT INSTALLED PER POWER  
DIV. STD. C-UG-1500



TYPICAL ROADWAY SECTION & PADMOUNT TRANSFORMER  
NOT TO SCALE

NO.	DATE	REVISION	BY	CHECKED	APPROVED
CITY OF TACOMA					
DEPARTMENT OF PUBLIC UTILITIES					
POWER DIVISION					
CEDAR SPRINGS					
84TH AVE. E & 176TH ST. E					
ELECTRICAL LAYOUT & DETAIL					
APPROVED		DESIGNED		DRAWN	
		MF		MLF	
SECTION SUPERVISOR				N/A	
MAP: NE 32-19-4		DATE		SCALE	
ONE LINE		DRAWING NO.			
N/A		UPLB N/A		U1907P03	

**Exhibit B**  
**TACOMA POWER WORK**

This exhibit may be added when developed and finalized in coordination with the Project Team.

**Exhibit C**  
**Project Cost Estimate**

**Phase I**

Distribution Line Upgrade	\$ 115,226.68
Labor	\$ 39,877.03
Material	\$ 28,561.28
<hr/>	
	<b>\$183,664.99</b>

**Exhibit D**  
**Schedule of Work**

The schedule is to be determined and added when developed in coordination with the Project Team.





## RESOLUTION NO. U-10997

A RESOLUTION related to Tacoma Water; authorizing participation in a City of Tacoma, Department of Environmental Services, Oakland Neighborhood Permeable 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"), Oakland Neighborhood Permeable Pavement Project, and

WHEREAS Tacoma's Environmental Services plans to reconstruct the existing roadways within the Oakland Neighborhood, to improve storm water quality and alleviate flooding issues through the installation of pervious asphalt streets, and

WHEREAS an additional scope of work to the Environmental Services contract includes the replacement of wastewater sewers and improvements to the curb ramps and sidewalks, with construction anticipated in April 2018, and

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

WHEREAS, Tacoma Water's part of the project proposes to replace the existing 6-inch and 12-inch cast iron water main constructed circa 1957 and 1910, with approximately 7,700 linear feet of same diameter ductile iron water main and appurtenances, along South Madison Street, Monroe and Gunnison



1 streets, from Center Street to South 36<sup>th</sup> Street, which will assure long-term  
2 safety and reliability to its customers in the neighborhood, and

3 WHEREAS the opportunity to participate in this contract allows Tacoma  
4 Water's water main work to be executed concurrently with Environmental  
5 Services' contract in the same area, which will result in improved project  
6 delivery, reduced projected costs, mitigated future risks, and minimization of  
7 construction disturbance to the general public, and

8  
9 WHEREAS Tacoma Water's estimated project cost is \$815,405.70, plus  
10 a 15 percent contingency, plus a partner contribution of \$15,786.70, for a  
11 cumulative total of \$953,503.26, excluding applicable taxes, and

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

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

17  
18 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

19 That Tacoma Water is authorized to participate in the Environmental  
20 Services' contract, for the Environmental Services Oakland Neighborhood  
21 Permeable Pavement Project, to allow for the replacement of the existing 6-inch  
22 and 12-inch cast iron water mains along South Madison Street, Monroe and  
23 Gunnison streets, from Center Street to South 36<sup>th</sup> Street, with an estimated  
24 project cost of \$815,405.70, plus a 15 percent contingency, plus a partner  
25 contribution of \$15,786.70, for a cumulative total of \$953,503.26, excluding  
26



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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

*John C. Merrill*  
Chief Deputy City Attorney

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Clerk

Adopted \_\_\_\_\_

of March 14, 2018

**REQUEST FOR RESOLUTION**

Date: March 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 Oakland Neighborhood Permeable 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 the Science and Engineering Division of Environmental Services in the Oakland Neighborhood Permeable Pavement Project. Tacoma Water's estimated project cost is \$815,405.70, plus a 15 percent contingency, plus a partner contribution of \$15,786.70, for a cumulative total of \$953,503.26, excluding applicable taxes. As part of the project, Tacoma Water proposes to replace the existing 6-inch and 12-inch cast iron water main constructed circa 1957 and 1910, with approximately 7,700 linear feet of same diameter ductile iron water main and appurtenances. The water main work will occur along S. Madison St., S. Monroe St., S. Gunnison St., from Center St. to S. 36th St..

3. Summarized reason for resolution:

Tacoma Water is partnering with the City of Tacoma's Environmental Services and Public Works Departments to reconstruct the existing roadways within the Oakland Neighborhood. This project will improve water quality and alleviate flooding issues through the installation of pervious asphalt streets. In conjunction, Tacoma Water will replace aging water main infrastructure to assure long-term safety and reliability to its customers in the neighborhood. Additional project scope includes the replacement of wastewater sewers and improvements to the curb ramps and sidewalks. Construction is anticipated to commence in April 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 minimize construction disturbance to the general public.

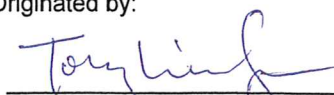
4. Attachments:

- a. Project Authorization Memorandum
- b. Project Joint Agreement
- c. Project Contract and Award Letter

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

6. Deviations requiring special waivers: None

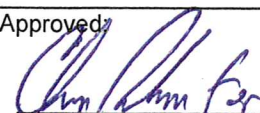
Originated by:

  
Section Head

Requested by:

  
Division Head

Approved:



Director of Utilities





Date: March 1, 2018

To: Linda McCrea, Interim Director of Utilities/CEO

From: Scott Dewhirst, Water Superintendent *[Signature]*

Subject: Oakland Neighborhood Permeable Pavement Project  
MRP-2016-31 S. Madison St., S. Monroe St., S. Gunnison St.,  
from Center St. to S. 36<sup>th</sup> St.  
Authorization to Participate with Environmental Services Department

Tacoma Water Distribution Engineering (Tacoma Water) requests authorization to participate with the Science and Engineering Division of Environmental Services (Environmental Services) in the Oakland Neighborhood Permeable Pavement Project. Tacoma Water's estimated project cost is \$953,503.26, excluding applicable taxes.

#### **BACKGROUND**

City of Tacoma's Environmental Services and Public Works Departments are proposing to reconstruct the existing roadways within the Oakland Neighborhood. This project will improve storm water quality and alleviate flooding issues through the installation of pervious asphalt streets. Additional project improvements include the replacement of wastewater sewers and upgrades to the curb ramps and sidewalks. Construction is anticipated to commence in April 2018.

As part of the project, Tacoma Water plans to replace aging water main infrastructure to assure long-term reliability to its customers in the neighborhood. The proposed water main scope consists of replacing existing 6-inch and 12-inch cast iron water main constructed circa 1957 and 1910, with approximately 7,700 linear feet of same diameter ductile iron water main and appurtenances. The water main replacement will occur along S. Madison St., S. Monroe St., S. Gunnison St., from Center St. to S. 36th St. A map of the project extents is enclosed.

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 minimize construction disturbance to the general public.

#### **PROJECT AUTHORIZATION**

Tacoma Water's estimated project cost is \$815,405.70, plus a 15 percent contingency, plus a partner contribution of \$15,786.70, for a cumulative total of \$953,503.26, excluding applicable taxes.

Funding for this project is available from the 2010 Water Bond Fund.

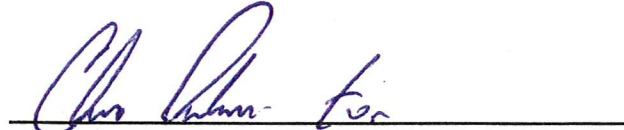
**RECOMMENDATION**

We recommend authorizing Tacoma Water to participate in the Environmental Services contract for the Oakland Neighborhood Permeable Pavement Project.

**PROJECT ENGINEER/COORDINATOR**

Ali Poldas, Distribution Engineering (253) 502-8152.

Please indicate your concurrence by signing below.



Linda McCrea  
Interim Director of Utilities/CEO

AP:td

cc: Doreen Klaaskate, Purchasing  
File: MRP 2016-31

Attachments

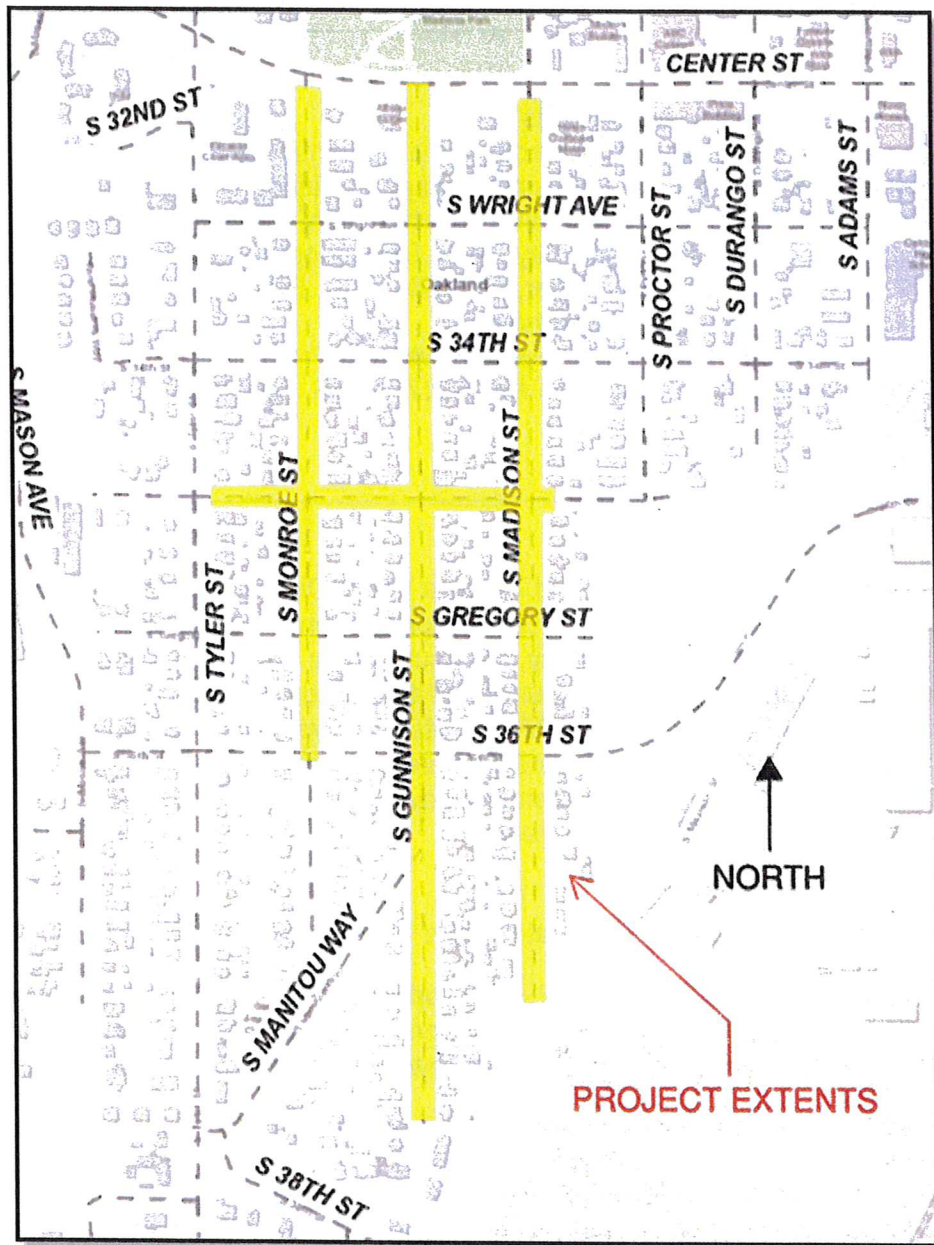


Figure 1, Project Extents.



**TO:** Board of Contracts and Awards  
**FROM:** Michael P. Slevin III, P.E., Director, Environmental Services  
Geoffrey M. Smyth, P.E., Division Manager, Science & Engineering  
Tony Lindgren, P.E., Tacoma Water Distribution, Engineering Manager  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,  
Jason Turner, Project Manager, Ali Poldas, P.E., Erik Sloan, Pavement Manager  
and Jill Tibbs, Finance/Purchasing  
**SUBJECT:** Oakland Neighborhood Permeable Pavement Project  
Request for Bids Specification No. ES17-0314F, Contract No. ##### – March 13,  
2017  
**DATE:** February 15, 2018

---

**RECOMMENDATION SUMMARY:**

The Environmental Services Department and Tacoma Water Distribution Engineering recommends a contract be awarded to R.L. Alia Company, Renton, WA, in the amount of \$5,799,356.50, plus a 15 percent contingency, for a cumulative total of \$6,669,259.99, excluding sales tax, budgeted from the ES Surface Water Fund 4301, ES Wastewater Fund 4300, TPU Tacoma Water Fund 4600, and PW Streets Initiative Fund 1085, to construct approximately 7,333 linear feet of 8-inch wastewater sewer main, 7,700 linear feet of water main, 6,500 linear feet of new permeable asphalt roadway section, 122 concrete curb ramps, roadway surface restoration, and plant 308 trees.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

This project includes a partnership with the Public Works Department and Tacoma Public Utilities to reconstruct the existing roadway with a pervious asphalt street section, increase pedestrian mobility by improving curb ramps and sidewalks, and alleviate flooding issues.

This project will also replace underground wastewater and water main pipes that have exceeded their design life and are at risk of failure. Failure of wastewater pipes would have negative environmental-related impacts resulting from untreated wastewater entering Commencement Bay. Failure of water main pipes would create costly repairs and loss of service to Tacoma Water customers.

**BACKGROUND:**

**ISSUE:** Stormwater from the Oakland Neighborhood drains to the Flett Creek Watershed, which has a history of flooding and downstream capacity issues due to a flow restricted receiving wetland waterbody. This project will help to improve water quality and flow control via the reduction of contaminated loading and storm runoff, through the installation of pervious pavement on Monroe Street from Wright Avenue to S. 36<sup>th</sup> Street, Gunnison Street from Center Street to the Dead End, and on Madison Street from Wright Avenue to the alley way transition. In addition aging water pipe, sanitary sewer pipe, manholes, and side sewers will be removed and replaced.





**ALTERNATIVES:** The alternative to this project is accepting the risk of failure of the wastewater pipes, water pipe, and continual flooding. This option would continue to rely on the City's aggressive source control efforts. Flow and contaminant reduction would still remain a significant concern in this watershed. If the existing pipes are not replaced, the rate and magnitude of isolated failures will increase with time.

**COMPETITIVE SOLICITATION:**

Request for Bids Specification No. ES17-0314F was opened February 13, 2018. There were 10 bid submittals received.

R.L. Alia Company 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>
<b>R.L. Alia Company</b>	<b>Renton, WA</b>	<b>\$5,799,356.50</b>	<b>\$5,509,388.68</b>
Rodarte Construction, Inc.	Auburn, WA	\$6,153,813.60	\$6,153,813.60
Northwest Cascade, Inc.	Puyallup, WA	\$6,197,375.00	\$6,197,375.00
Johansen Construction Co. Inc.	Buckley, WA	\$6,490,850.65	\$6,490,850.65
Pape & Sons Construction, Inc.	Gig Harbor, WA	\$6,568,720.10	\$6,568,720.10
Tucci & Sons, Inc.	Tacoma, WA	\$7,305,050.15	\$7,305,050.15
Miles Resources, LLC	Puyallup, WA	\$7,559,567.75	\$7,559,567.75
Active Construction, Inc.	Puyallup, WA	\$7,636,824.53	\$7,636,824.53
Olson Brothers Excavating	Puyallup, WA	\$7,702,110.06	\$7,702,110.06
Titan Earthwork, LLC	Pacific, WA	\$8,323,303.50	\$8,323,303.50

Pre-bid Estimate: \$6,574,078.50

The recommended award is 11.8 percent below the pre-bid estimate.

**CONTRACT HISTORY:** New Contract

**SUSTAINABILITY:** Replacement of these pipes will reduce the risk of failure thereby reducing the potential for discharge of surface water and wastewater onto neighboring properties.

**SBE/LEAP COMPLIANCE:** The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated February 15, 2018. The SBE goal for this project is 22 percent. The SBE participation level of the recommended contractor is 70 percent. R.L. Alia Company submitted the lowest evaluated bid per the SBE Regulation requirements. 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
4301 ES Surface Water Fund	ENV-03025-07-04	5330100	\$1,678,463.65
4300 ES Wastewater Fund*	ENV-04022-10-04	5330100	\$2,491,293.08
1085 PW Streets Initiative Fund	PWK-00438-06-03	5330100	\$1,546,000.00
Tacoma Water Bond Fund*	WTR-00478-23-03	5330100	\$953,503.26
<b>TOTAL</b>			<b>\$6,669,259.99</b>

\* Excluding Applicable Sales Tax

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4301 ES Surface Water Fund	529100	Rate Revenues	\$249,963.40
4300 ES Wastewater Fund*	523900	Rate Revenues	\$2,491,293.08
WA State Dept. of Ecology Grant	521900	6371302	\$1,428,500.25
Streets Initiative Revenues	663020	Various	\$1,546,000.00
4600-10WC Water 2010 Construction Bond Fund*	586306	6311156	\$953,503.26
<b>TOTAL</b>			<b>\$6,669,259.99</b>

\* Excluding Applicable Sales Tax

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$6,669,259.99****ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**



**DATE:** November 21, 2017

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

**FROM:** Ali Polda, P.E., Tacoma Water Distribution Engineering  
Jason Turner, P.E. Environmental Services Department, Science & Engineering

**SUBJECT:** Agreement for Joint Water Distribution – Environmental Services Project  
ENV-03025-07 Oakland Neighborhood Permeable Pavement Project  
MRP-2016-31 S Madison, S Monroe, S Gunnison St. Main Replacement Project

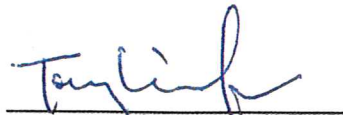
Environmental Services and Tacoma Water Distribution Engineering have been working to develop plans and specifications for the Oakland Neighborhood Permeable Pavement Project. The project is anticipated to start construction in February of 2018.

Our respective organizations believe a coordinated effort to replace the surface water 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 adjacent residents and the general public. 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 contract plans and specifications.
- The Environmental Services Department will administer the construction contract. The Environmental Services Department will charge Tacoma Water for the additional incremental contract administration time associated with Tacoma Water work. This is consistent with the method by which contract management and overhead costs addressed on previous Environmental Services - Water Division projects. The estimated cost for the Tacoma Water portion of the construction administration is \$20,732.74, which is 2 percent of the Engineer's estimate less taxes and contingencies. Costs will be finalized with the awarded contract bid proposal. This payment amount will be completed via journal entry at the completion of the project.
- The Environmental Services Department will charge Tacoma Water for the cost of restoring half of South Madison Street, from South 36<sup>th</sup> Street to approximately 600 feet south, up to a maximum amount of \$20,428.55. This accounts for the estimated incurred costs to Tacoma Water if this scope of work was pursued independently. This amount is based the Engineer's estimate on quantities to excavate and restore a 12-foot-wide section of the road using 2-inches of asphalt and 2-inches of subbase. Costs will be finalized with the awarded contract bid proposal. This payment amount will be completed via journal entry at the completion of the project.

- Tacoma Water has provided the WBSE for charging water main construction administration costs to the Water Division fund. The Water Division WBSEs are as follows for this project:
  - WBSE WTR-00478-23-03: MRP 2016-31 Contract Payments by ES
- Tacoma Water will be responsible for the cost of water distribution main work, valves, hydrants, pavement removal and temporary restoration, trench excavation, trench backfill and compaction to subgrade elevation, mobilization, traffic control, and other appurtenant items directly related to the installation of new water main. These costs have been segregated within the contract bid proposal.
- Tacoma Water will request authorization from the Utility Board to participate in the Environmental Services' contract as soon as possible following determination of the lowest responsible bidder.
- 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 and water service reconnections.
- The Environmental Services Department 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.

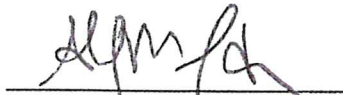
We look forward to continuing our spirit of coordination and cooperation to accomplish this and future projects of mutual benefit to the citizens of Tacoma, the Environmental Services Department, and Tacoma Water. By signature, please indicate your approval to proceed with this joint project.



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

11-30-17

Date



Geoffrey Smyth, P.E.  
Division Manager, Environmental Services Department, Science & Engineering Division

28 NOV 2017

Date

cc: Greg Armstrong, Tacoma Water  
Erik Ward, P.E., Environmental Services, Science & Engineering

File: 2016-31