



RESOLUTION NO. U-11006

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

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

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

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




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

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

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

Approved as to form and legality:


Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____

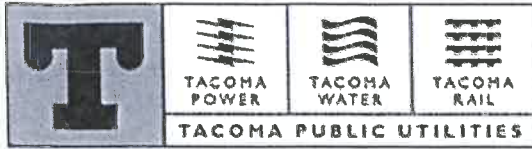


EXHIBIT "A"

RESOLUTION NO.: U-11006

ITEM NO.: #1

MEETING DATE:

TO: Board of Contracts and Awards
FROM: Chris Robinson, Tacoma Power
Jeremy Stewart, Power Analyst, Tacoma Power / Power Management
COPY: Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: Commercial Strategic Energy Management Conservation Program
RFP Specification No. PE18-0016F – 5/9/2018
DATE: April 27, 2018

RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to Stillwater Energy LLC of Portland, OR, to implement a commercial strategic energy management program in the amount of \$501,450, plus any applicable taxes, for an initial contract term of five years with the option to renew for two additional one-year terms, for a projected contract amount of \$718,780.

BACKGROUND:

Commercial Strategic Energy Management (C-SEM) acquires energy conservation through improved operations and maintenance of large commercial buildings. Stillwater will provide C-SEM participants energy education, on-site engineering services, and coaching to reduce energy use. This effort will allow Tacoma Power to claim energy conservation savings required under WAC 194-37.

Additionally, the Bonneville Power Administration (BPA) has awarded Tacoma Power a one-time \$100,000 grant for the purposed of hiring a C-SEM contractor.

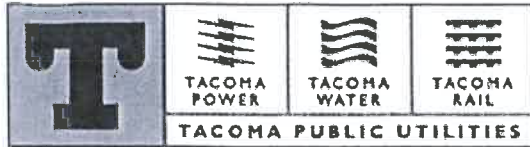
ISSUE: Commercial energy management is a significant part of our conservation potential, which is used to determine our I-937 Energy Conservation Target. Additionally, the City of Tacoma's Environmental Action Plan Action B2 prioritizes reduced energy use through improved building operations and maintenance. C-SEM meets these needs by giving customers tools to improve building operation and reduce energy usage. Savings are claimed by examining actual energy usage over a baseline established at the beginning of the project.

ALTERNATIVES: Failing to meet our Energy Conservation Target is not an option. While Tacoma Power offers other programs to save energy for commercial customers, C-SEM offers a new opportunity to engage customers and acquire energy conservation savings.

COMPETITIVE SOLICITATION:

Request for Proposals Specification No. PE18-0016F was opened February 6, 2018. Five companies were invited to bid in addition to normal advertising of the project. Seven submittals were received. A selection advisory committee (SAC) comprised of three members from Tacoma Power ranked proposals using the following categories and weights:

- Qualifications and Experience – 25%
- Strategy to implement C-SEM – 35%
- Modeling and Reporting – 10%
- Fees and Charges / Value – 20%



- Small Business Enterprise(SBE)/Minority & Women's Business Enterprise(MWBE) - 5%
- Submittal Quality, Organization, and Completeness - 5%.

The proposal submitted by Stillwater Energy was the lowest bidder and ranked the highest by the SAC for experience, strategy, and modeling/reporting.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score</u>
Stillwater Energy LLC	Portland, OR	915
Strategic Energy Group	Portland, OR	888
ClearResult Consulting Inc.	Portland, OR	813
Cascadia Consulting Group, Inc.	Seattle, WA	801
Cascade Energy, Inc.	Portland, OR	738
Hargis Engineers, Inc.	Seattle, WA	599
MacDonald-Miller Facility Solutions	Seattle, WA	589

Pre-bid Estimate: \$800,000

The recommended award is 37% less than the pre-bid estimate for the initial five-year term.

SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT ¹
Expense-Conservation O&M	PWR-00852-01-72-05	5330100	\$501,450
TOTAL			\$501,450

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT ²
2017/18 Energy Conservation	PWR-00852-01-72-04	6232104	\$100,000
TOTAL			\$100,000

¹ Total five year cost estimate 2018-2022

² Full grant amount will be issued in 2018



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$41,600³

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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Chris Robinson, Power Superintendent/COO

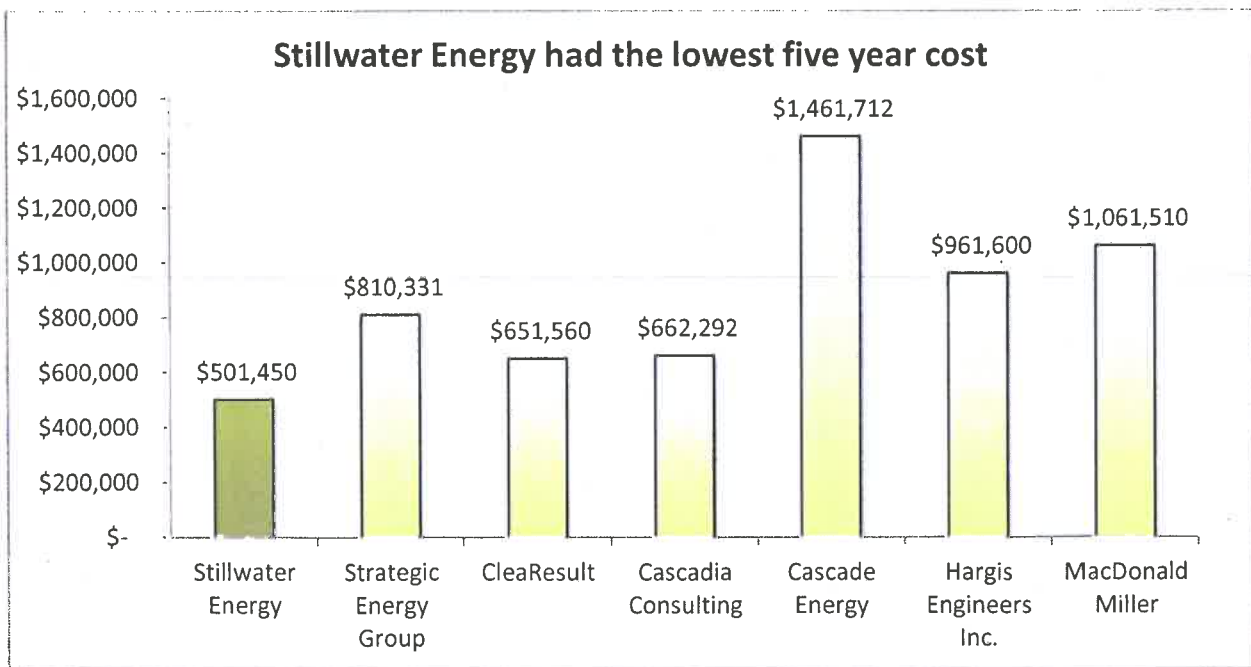
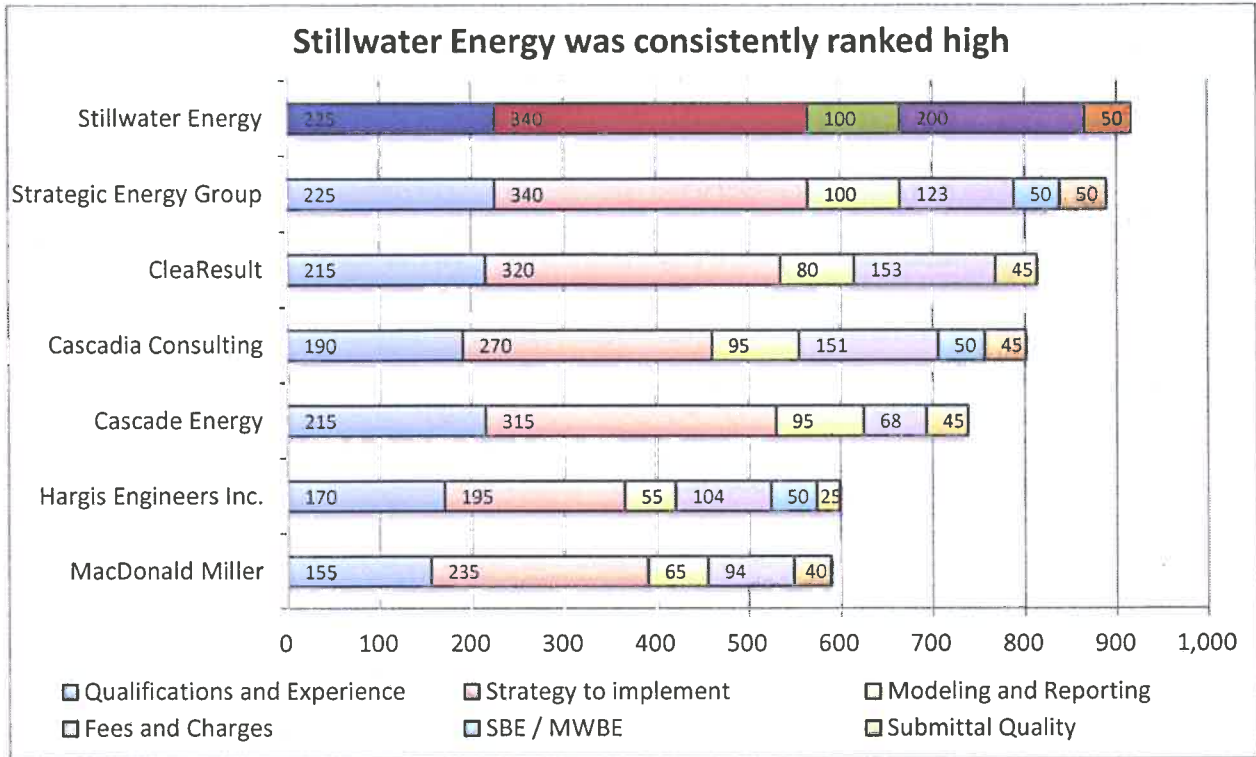
APPROVED:

A handwritten signature in black ink, appearing to read 'Linda McCrea', with a long horizontal flourish extending to the right.

Linda McCrea, Interim Director of Utilities/CEO

³ \$141,600 expected expenses minus \$100,000 BPA Grant

Appendix 1: Detailed Score Results and vendor price



May 9, 2018

I hereby move that the following motion be approved:

Motion 18-03 - That in accordance with the Tacoma City Charter Article IV Section 4.18, the Board appointed Linda McCrea to the temporary position of Interim Director of Utilities effective December 1, 2017 through a period not to exceed May 31, 2018, and now hereby extends that appointment, such that the term of the Board's appointment shall be the earlier of (i) August 31, 2018, or (ii) the date that a permanent Director is appointed by the Board, confirmed by the City Council and begins employment, whichever occurs first. The individual appointed as Interim Director of Utilities shall not be a candidate for, and shall not accept the permanent position of Director of Utilities. The Board recommends the City Council concur in the extension of this Interim appointment.

May 9, 2018

I hereby move that the following motion be approved:

18-04 - Pursuant to RCW 42.30.110(1)(g), authorize an Amendment to the compensation agreement with Linda McCrea to cover the extension of her appointment as Interim Director of Public Utilities through August 31, 2018 or until a permanent Director is appointed by the Board, confirmed by the City Council and begins employment, whichever occurs first, with said document in the form that is on file with the Clerk of the Board and with an annual salary of \$346,965.00.

May 9, 2018

I hereby move that the following motion be approved:

18-05 - That the following individuals, _____, be moved forward to the next step in the recruitment process as finalists for the position of Director of Tacoma Public Utilities.