



## RESOLUTION NO. U-11143

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  
5 agreements.

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

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

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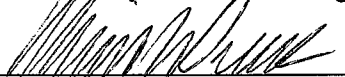


WHEREAS the Director requests authorization, pursuant to  
TMC 1.06.269 A, to amend contract amounts up to \$500,000 and to approve  
term extensions and renewals for all items contained in Exhibit "A;" Now,  
therefore,

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 \$500,000 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 \_\_\_\_\_

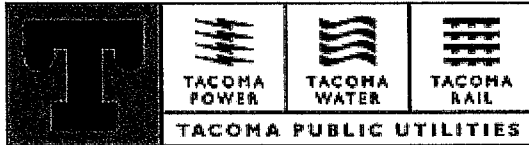


EXHIBIT "A"

RESOLUTION NO.: U-11143

ITEM NO.: 1

MEETING DATE: 02/26/2020

**TO:** Board of Contracts and Awards  
**FROM:** Chris Robinson, Power Superintendent/COO, Tacoma Power  
Tenzin Gyaltzen, UTS Power Section Manager; Joe Tellez, Utility Technology Services CTO; Andre' Pedeferra, Program Manager, UTS AMI Program  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Advanced Metering Infrastructure System Integration Services for Billing Functionality, Request for Proposals PS18-0242F – February 26, 2020  
**DATE:** February 14, 2020

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**RECOMMENDATION SUMMARY:**

Tacoma Power, Utility Technology Services (UTS) recommends a second contract (statement of work) be awarded to Utegration, LLC, Houston, TX, for system configuration, integration and testing services to support monthly billing for bi-monthly customers; reconfiguration of monthly billing changes, configure an opt-out process and reconstitute Tacoma's pre-payment program, in the amount of \$957,000, plus applicable taxes.

**BACKGROUND:**

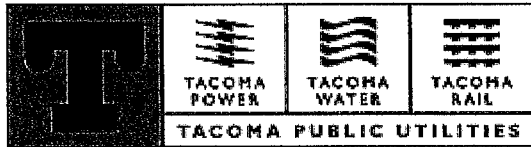
The AMI system integration technical design team is ready to move forward with the billing functionality portion of phase one as allowed by RFP PS18-0242F.

**ISSUE:** Advanced meters will replace an aging infrastructure and infuse technology that will fundamentally transform TPU's relationship with its customers, enabling them to become engaged water and power consumers. The Advanced Metering Infrastructure program forms the critical and essential technology foundation to enhance power and water services to all customers that over time will provide near real-time information necessary so customers can manage their usage, control their costs and help the environment. This functionality will provide several key enablement opportunities for early customer benefits during phase one.

**ALTERNATIVES:** Continue to use current billing practices and delay implementation of monthly billing, dunning changes that support monthly billing, configuring an opt out process, and reconstitution of pre-payment billing options. However, doing so eliminates the opportunity to take advantage of the efficiencies gained using the existing AMI Program structure.

**COMPETITIVE SOLICITATION:**

RFP Specification No. PS18-0242F was opened August 21, 2018. Seven companies were invited to bid in addition to normal advertising of the project. Five submittals were received. A selection advisory committee (SAC) comprised of 13 members from Tacoma Power, Tacoma Water, Information Technology Department, and Customer Services ranked proposals using the following categories and weights: SAP Configuration Solution Requirements Compliance 35%; Qualifications/Experience of Firm and Project Team - 25%; Price/Value - 20%; Project Methodology and Approach - 15%; and Small Business Enterprise (SBE)/Minority and Women's Business Enterprise (MWBE) - 5%. The proposal submitted by Utegration was ranked the highest by the SAC. The submittal from Smart Energy Water was incomplete and was not scored.



<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score</u>
<b>Utegration, LLC</b>	<b>Houston, TX</b>	<b>56.26</b>
Quintel-MC, Inc.	Greenwood Village, CO	53.65
Cognizant Technology Solutions U.S. Corporation	College Station, TX	41.23
HCL America Inc.	Sunnyvale, CA	49.38
Smart Energy Water	Irvine, CA	00.00

The first contract (statement of work) was approved by Utility Board Resolution U-11075, March 27, 2019, for systems integration consulting services in the amount of \$3,885,804.13, plus a 5% contingency (\$4,080,094.34), along with a Master Supplier Business and Services Agreement for \$0, both executed March 29, 2019.

CONTRACT HISTORY: New (second) contract as allowed by RFP PS18-0242F for completion of phase one.

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: Not applicable.

#### FISCAL IMPACT:

##### EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Power Fund			73%
4600 – Water Fund			27%
<b>TOTAL</b>			

##### REVENUES:

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

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$957,000 FOR 2020

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

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

Criteria	Points	Sub Weighting
Executive Summary (3.02D)	25	10%
Project Team (3.02E)		60%
References (3.02J)		30%
Project Methodology and Approach (3.02F)	15	100%
Minimum Requirements Compliance (3.02G)	35	25%
SAP Configuration Requirements Compliance (3.02H)		75%
Total Points Scored by Evaluator	75	3

Criteria	Points	Sub Weighting
Executive Summary (3.02D)	25	10%
Project Team (3.02E)		60%
References (3.02J)		30%
Project Methodology and Approach (3.02F)	15	100%
Minimum Requirements Compliance (3.02G)	35	25%
SAP Configuration Requirements Compliance (3.02H)		75%
Total Points Scored by Evaluator	75	3

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Executive Summary (3.02D)	25	10%
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Minimum Requirements Compliance (3.02G)	35	25%
SAP Configuration Requirements Compliance (3.02H)		75%
Total Points Scored by Evaluator	75	3

Criteria	Points	Sub Weighting
Executive Summary (3.02D)	25	10%
Project Team (3.02E)		60%
References (3.02J)		30%
Project Methodology and Approach (3.02F)	15	100%
Minimum Requirements Compliance (3.02G)	35	25%
SAP Configuration Requirements Compliance (3.02H)		75%
Total Points Scored by Evaluator	75	3

	SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
Cognizant	44.48	44.54	N/A	29.06	48.77	45.29	13.48	47.71	37.04	12.93	35.45	N/A	N/A
HCL-Axon	47.85	49.52	N/A	31.87	55.12	57.20	11.96	61.86	44.33	15.34	51.18	N/A	N/A
Quintel	58.51	53.08	N/A	48.21	50.68	55.48	15.16	55.60	55.74	18.17	57.29	N/A	N/A
Utegration	61.18	58.12	N/A	46.62	57.34	60.58	13.82	59.33	53.97	18.77	56.54	N/A	N/A

Cognizant														Cognizant	
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13		Avg	Std Dev.
7.0	7.0	N/A	4.0	8.0	6.0	N/A	7.0	6.0	N/A	5.0	N/A	N/A		1.56	1.28
5.0	4.0	N/A	5.0	7.0	5.0	N/A	7.0	4.0	N/A	3.0	N/A	N/A		7.50	1.41
5.0	8.0	N/A	4.0	7.0	6.0	N/A	6.0	6.0	N/A	4.0	N/A	N/A		4.31	1.39
7.0	6.0	N/A	2.0	7.0	9.0	N/A	8.0	4.0	N/A	5.0	N/A	N/A		9.00	2.27
5.0	6.0	N/A	5.0	5.0	6.0	N/A	5.0	4.0	N/A	4.0	N/A	N/A		4.38	0.76
6.3	6	N/A	3.9	6.2	5.0	5.1	5.6	5.9	4.9	6.0	N/A	N/A		14.48	0.78
44.48	44.54	N/A	29.06	48.77	45.29	13.48	47.71	37.04	12.93	35.45	N/A	N/A		41.23	13.42

HCL-Axon														HCL-Axon	
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13		Avg	Std Dev.
7.0	8.0	N/A	3.0	7.0	9.0	N/A	9.0	8.0	N/A	7.0	N/A	N/A		1.81	1.91
5.0	8.0	N/A	4.0	8.0	10.0	N/A	9.0	7.0	N/A	7.0	N/A	N/A		10.88	1.98
6.0	6.0	N/A	5.0	8.0	6.0	N/A	9.0	6.0	N/A	6.0	N/A	N/A		4.88	1.31
7.0	7.0	N/A	4.0	8.0	8.0	N/A	8.0	7.0	N/A	7.0	N/A	N/A		10.50	1.31
6.0	6.0	N/A	5.0	8.0	6.0	N/A	9.0	6.0	N/A	6.5	N/A	N/A		5.74	1.29
7.0	5.8	N/A	4.2	6.2	6.9	4.6	7.4	4.4	5.8	7.0	N/A	N/A		15.58	1.19
47.85	49.52	N/A	31.87	55.12	57.20	11.96	61.86	44.33	15.34	51.18	N/A	N/A		49.38	17.29

Quintel														Quintel	
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13		Avg	Std Dev.
7.0	6.0	N/A	6.0	6.0	8.0	N/A	8.0	6.0	N/A	7.0	N/A	N/A		1.69	0.89
7.0	8.0	N/A	4.0	7.0	8.0	N/A	8.0	8.5	N/A	8.5	N/A	N/A		11.06	1.48
8.0	5.0	N/A	6.0	7.0	5.0	N/A	8.0	4.0	N/A	7.0	N/A	N/A		4.69	1.49
8.0	8.0	N/A	8.0	7.0	8.0	N/A	7.0	9.0	N/A	8.0	N/A	N/A		11.81	0.64
7.0	3.0	N/A	8.0	6.0	6.0	N/A	7.0	4.0	N/A	5.0	N/A	N/A		5.03	1.67
8.4	8.1	N/A	6.6	6.7	7.8	5.8	7.2	8.2	6.9	8.1	N/A	N/A		19.37	0.87
58.51	53.08	N/A	48.21	50.68	55.48	15.16	55.60	55.74	18.17	57.29	N/A	N/A		53.65	16.18

Utegration														Utegration	
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13		Avg	Std Dev.
8.0	8.0	N/A	6.0	7.0	8.0	N/A	9.0	9.0	N/A	8.0	N/A	N/A		1.97	0.99
8.0	9.0	N/A	5.0	9.0	8.0	N/A	8.0	7.0	N/A	8.0	N/A	N/A		11.63	1.28
9.0	8.0	N/A	6.0	8.0	9.0	N/A	8.0	7.0	N/A	7.0	N/A	N/A		5.81	1.04
7.0	7.0	N/A	7.0	9.0	8.0	N/A	8.0	7.0	N/A	7.0	N/A	N/A		11.25	0.76
8.0	7.0	N/A	8.0	5.0	9.0	N/A	9.0	7.0	N/A	6.5	N/A	N/A		6.51	1.35
8.7	7.6	N/A	6.0	6.9	7.6	6.0	7.3	7.4	7.2	8.0	N/A	N/A		19.10	0.84
61.18	58.12	N/A	46.62	57.34	60.58	15.82	59.33	53.97	18.77	56.54	N/A	N/A		56.26	17.14

Criteria	Points	Sub Weighting	Cognizant	HCL-Axon	Quintel	Utegration
Executive Summary (3.02D)	25	10%	1.56	1.81	1.69	1.97
Project Team (3.02E)		60%	7.50	10.88	11.06	11.63
References (3.02J)		30%	4.31	4.88	4.69	5.81
Project Methodology and Approach (3.02F)	15	100%	9.00	10.50	11.81	11.25
Minimum Requirements Compliance (3.02G)	35	25%	4.38	5.74	5.03	6.51
SAP Configuration Requirements Compliance (3.02H)		75%	14.48	15.58	19.37	19.10
Total Points Scored by Evaluator	75		41.23	49.38	53.65	56.26

Criteria	Points	Sub Weighting	Cognizant	HCL-Axon	Quintel	Utegration
Executive Summary (3.02D)	25	10%	1.56	1.81	1.69	1.97
Project Team (3.02E)		60%	7.50	10.88	11.06	11.63
References (3.02J)		30%	4.31	4.88	4.69	5.81
Project Methodology and Approach (3.02F)	15	100%	9.00	10.50	11.81	11.25
Minimum Requirements Compliance (3.02G)	35	25%	4.38	5.74	5.03	6.51
SAP Configuration Requirements Compliance (3.02H)		75%	14.48	15.58	19.37	19.10
Price Proposal	20	100%	17.02	20.00	18.81	17.54
SBE	5	100%	-	-	-	-
Total Points Scored by Evaluator	75		58.24	69.38	72.46	75.00



Category	Weighting	Type	Quantity	Sub Weighting	Scored Quantity
Vendor Information	5%	Questions	7	100%	7
Use Cases	30%	Requirement	72	100%	72
SDLC	10%	Requirement	6	100%	6
Support	10%	Requirement	3	100%	3
Testing	15%	Requirement	14	100%	14
Training	15%	Requirement	7	100%	7
SAP Integrations	15%	Requirement	11	50%	11
		Value Adds	47	50%	47
	100%				

Category	Weighting	Type	Quantity	Sub Weighting	Scored Quantity
Vendor Information	5%	Questions	7	100%	7
Use Cases	30%	Requirement	72	100%	72
SDLC	10%	Requirement	6	100%	6
Support	10%	Requirement	3	100%	3
Testing	15%	Requirement	14	100%	14
Training	15%	Requirement	7	100%	7
SAP Integrations	15%	Requirement	11	50%	11
		Value Adds	47	50%	47
	100%				

Category	Weighting	Type	Quantity	Sub Weighting	Scored Quantity
Vendor Information	5%	Questions	7	100%	7
Use Cases	30%	Requirement	72	100%	72
SDLC	10%	Requirement	6	100%	6
Support	10%	Requirement	3	100%	3
Testing	15%	Requirement	14	100%	14
Training	15%	Requirement	7	100%	7
SAP Integrations	15%	Requirement	11	50%	11
		Value Adds	47	50%	47
	100%				

Category	Weighting	Type	Quantity	Sub Weighting	Scored Quantity
Vendor Information	5%	Questions	7	100%	7
Use Cases	30%	Requirement	72	100%	72
SDLC	10%	Requirement	6	100%	6
Support	10%	Requirement	3	100%	3
Testing	15%	Requirement	14	100%	14
Training	15%	Requirement	7	100%	7
SAP Integrations	15%	Requirement	11	50%	11
		Value Adds	47	50%	47
	100%				

Cognizant												
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
2.71%	2.29%	N/A	0.00%	1.29%	2.43%	0.00%	3.00%	2.29%	1.57%	2.43%		
17.67%	21.00%	N/A	13.00%	22.83%	11.67%	20.67%	17.25%	21.00%	10.54%	16.67%		
9.33%	6.33%	N/A	3.67%	5.67%	8.33%	6.00%	6.67%	7.33%	4.33%	7.00%		
6.00%	9.33%	N/A	2.67%	6.33%	7.33%	7.67%	6.00%	7.00%	7.33%	6.67%		
13.07%	9.86%	N/A	5.36%	9.11%	10.71%	9.32%	9.21%	9.11%	9.64%	8.14%		
6.43%	7.29%	N/A	4.29%	7.29%	7.29%	7.71%	8.14%	5.57%	6.64%	9.21%		
8.04%	6.91%	N/A	9.83%	8.99%	1.91%	N/A	5.30%	6.91%	9.19%	9.70%		
0.00%	0.00%	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
63.25%	63.01%	N/A	38.81%	61.50%	49.68%	51.37%	55.57%	59.21%	49.26%	59.82%		

HCL-Axon												
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
3.29%	4.29%	N/A	0.00%	3.29%	3.86%	0.00%	4.43%	4.14%	3.29%	4.00%		
15.75%	10.83%	N/A	14.50%	20.79%	19.58%	14.92%	18.67%	10.75%	11.17%	17.75%		
8.33%	7.00%	N/A	2.67%	6.33%	8.00%	5.67%	7.33%	4.17%	4.33%	7.50%		
7.33%	7.33%	N/A	2.67%	7.00%	7.33%	6.67%	8.00%	4.00%	7.33%	7.00%		
11.57%	9.43%	N/A	4.71%	6.64%	11.57%	8.89%	13.29%	4.82%	7.50%	9.43%		
12.43%	9.86%	N/A	5.14%	10.29%	13.71%	9.43%	12.86%	6.64%	11.79%	11.79%		
11.20%	9.42%	N/A	12.20%	8.04%	5.27%	N/A	9.67%	9.59%	13.04%	12.04%		
0.00%	0.00%	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
69.90%	58.16%	N/A	41.89%	62.38%	69.33%	45.57%	74.24%	44.11%	58.45%	69.50%		

Quintel												
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
2.86%	4.71%	N/A	0.00%	3.71%	3.43%	0.00%	4.57%	4.71%	4.57%	4.00%		
26.17%	26.25%	N/A	20.17%	24.75%	26.92%	19.50%	18.42%	26.42%	15.75%	22.83%		
8.33%	7.00%	N/A	7.00%	6.33%	8.00%	6.67%	8.00%	8.67%	6.50%	9.00%		
8.00%	8.67%	N/A	6.00%	6.67%	7.33%	8.33%	8.00%	8.67%	7.00%	7.33%		
12.86%	11.14%	N/A	9.86%	8.89%	11.14%	11.25%	11.79%	8.46%	10.18%	11.68%		
13.29%	10.71%	N/A	8.57%	9.00%	14.57%	12.00%	11.57%	12.43%	11.14%	11.57%		
12.83%	12.30%	N/A	13.98%	8.00%	6.64%	N/A	9.93%	12.50%	14.07%	14.20%		
0.00%	0.00%	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
84.33%	80.79%	N/A	65.57%	67.36%	78.03%	57.75%	72.28%	81.86%	69.22%	80.62%		

Utegration												
SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
4.57%	4.86%	N/A	0.00%	4.36%	4.43%	0.00%	4.71%	4.86%	4.29%	4.43%		
25.92%	27.08%	N/A	22.75%	25.75%	26.67%	21.00%	19.42%	27.08%	16.67%	22.17%		
9.33%	7.33%	N/A	8.67%	6.17%	9.67%	7.50%	7.67%	8.17%	7.83%	8.00%		
9.33%	8.00%	N/A	6.67%	7.33%	8.67%	10.00%	7.33%	8.67%	8.00%	7.67%		
12.64%	11.79%	N/A	6.21%	9.86%	10.29%	11.04%	12.00%	7.93%	10.39%	11.89%		
12.43%	9.86%	N/A	7.71%	9.00%	10.71%	10.71%	12.00%	9.64%	9.64%	11.36%		
13.11%	7.25%	N/A	7.50%	6.94%	5.59%	N/A	10.04%	7.34%	14.68%	14.89%		
0.00%	0.00%	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
87.33%	76.16%	N/A	59.51%	69.40%	76.01%	60.25%	73.17%	73.69%	71.50%	80.40%		

Cognizant	
Average	Std Dev
1.80%	1.07%
17.23%	4.29%
6.47%	1.70%
6.63%	1.70%
9.35%	1.93%
6.99%	1.37%
7.42%	2.56%
0.00%	0.00%
55.15%	7.83%

HCL-Axon	
Average	Std Dev
3.06%	1.66%
15.47%	3.72%
6.13%	1.88%
6.47%	1.72%
8.79%	2.89%
10.39%	2.75%
10.05%	2.41%
0.00%	0.00%
59.35%	11.90%

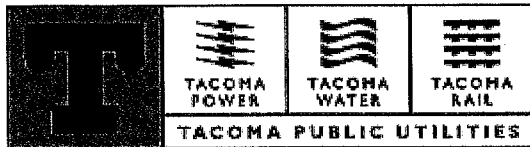
Quintel	
Average	Std Dev
3.26%	1.82%
22.72%	4.00%
7.55%	0.96%
7.60%	0.89%
10.73%	1.36%
11.49%	1.80%
11.61%	2.78%
0.00%	0.00%
73.78%	8.69%

Utegration	
Average	Std Dev
3.65%	1.93%
23.45%	3.63%
8.03%	1.01%
8.17%	1.01%
10.40%	2.00%
10.31%	1.43%
9.70%	3.61%
0.00%	0.00%
72.74%	8.43%

Cognizant		HCL-Axon		Quintel		Utegration	
Average	Std Dev	Average	Std Dev	Average	Std Dev	Average	Std Dev
1.80%	1.07%	3.06%	1.66%	3.26%	1.82%	3.65%	1.93%
17.23%	4.29%	15.47%	3.72%	22.72%	4.00%	23.45%	3.63%
6.47%	1.70%	6.13%	1.88%	7.55%	0.96%	8.03%	1.01%
6.63%	1.70%	6.47%	1.72%	7.60%	0.89%	8.17%	1.01%
9.35%	1.93%	8.79%	2.89%	10.73%	1.36%	10.40%	2.00%
6.99%	1.37%	10.39%	2.75%	11.49%	1.80%	10.31%	1.43%
7.42%	2.56%	10.05%	2.41%	11.61%	2.78%	9.70%	3.61%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Category	Weighting	Cognizant	HCL-Axon	Quintel	Utegration
Vendor Information	5%	1.80%	3.06%	3.26%	3.65%
Use Cases	30%	17.23%	15.47%	22.72%	23.45%
SDLC	10%	6.47%	6.13%	7.55%	8.03%
Support	10%	6.63%	6.47%	7.60%	8.17%
Testing	15%	9.35%	8.79%	10.73%	10.40%
Training	15%	6.99%	10.39%	11.49%	10.31%
SAP Integrations	15%	7.42%	10.05%	11.61%	9.70%

	SAC01	SAC02	SAC03	SAC04	SAC05	SAC06	SAC07	SAC08	SAC09	SAC10	SAC11	SAC12	SAC13
Cognizant	63.25%	63.01%	N/A	38.81%	61.50%	49.68%	51.37%	55.57%	59.21%	49.26%	59.82%		
HCL-Axon	69.90%	58.16%	N/A	41.89%	62.38%	69.33%	45.57%	74.24%	44.11%	58.45%	69.50%		
Quintel	84.33%	80.79%	N/A	65.57%	67.36%	78.03%	57.75%	72.28%	81.86%	69.22%	80.62%		
Utegration	87.33%	76.16%	N/A	59.51%	69.40%	76.01%	60.25%	73.17%	73.69%	71.50%	80.40%		



RESOLUTION NO.: U-11143  
ITEM NO.: 2  
MEETING DATE: \_\_\_\_\_

**TO:** Board of Contracts and Awards  
**FROM:** Chris Robinson, Power Superintendent, Tenzin Gyaltzen, UTS Section Manager;  
and Tony Landrith, UTS Assistant Section Manager  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP  
Coordinator, and Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Increase Contract for Utility Technology Portfolio Project Management  
Temporary Staffing Services on Mission Critical Projects  
Specification No. PS17-0136F, Contract No. 4600012724  
**DATE:** January 27, 2020

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#### RECOMMENDATION SUMMARY:

Tacoma Power, Utility Technology Services (UTS) requests approval to increase contract 4600012724, to **Morris & Willner Partners, Inc. (MW Partners), Santa Ana, CA**, by \$5,211,992.00, plus any applicable taxes, for IT project management temporary staffing services to assist with the implementation and replacement of technology solutions for mission-critical projects and organizational initiatives. This increase will bring the contract to a cumulative total of \$10,111,418.00, plus any applicable taxes.

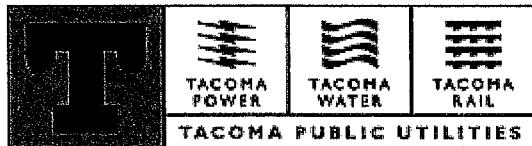
#### BACKGROUND:

**ISSUE:** Projects often represent temporary bodies of work that ebb and flow based upon a number of business factors. As a body of work, the factors in a portfolio of work can change frequently – causing an unpredictable demand on resources.

Professional staffing services are a component of a well-rounded resource strategy to help ensure program, portfolio and project initiatives are positioned to achieve their identified success measures and to provide flexibility in filling resource gaps. As a component of a resourcing strategy, augmented staffing is an effective technique to address short-term resource constraints – avoiding FTE resource commitments where long-term workload demand may not exist.

In 2016, Tacoma Public Utilities (TPU) Utility Technology Services (UTS) took strides toward adding professional staffing services as a component of their resource strategy – developing an RFP, selecting vendors and proposing corresponding contracts. The original bench contracts were approved by the Public Utility Board in 2017, in order to support TPU UTS specific technology portfolio and projects.

During the 2017/2018 and into the 2019/2020 biennium, TPU has been able to accomplish foundational projects and has begun work efforts aimed at transformational and strategic initiatives that drive efficiencies and operational excellence across the organization. The efforts required to progress to this future state demands a diverse sets of skills that are critical in project and program delivery.



Over the past 32 months, the Utility has recognized the value of staff augmentation and has expanded the use of the bench contracts beyond the technology portfolio. The further adoption of this mitigation alternative has grown the scope and use of these bench contracts beyond the original intent.

Currently, contracted resources are assigned to in-flight projects and are needed in order to assist in completing on-going projects for the current 2019/2020 biennium as well as mitigate short-term operational staffing needs. Additional funding is needed to ensure the continuity of active projects, provide new resourcing as identified and complement the support of operations.

The staffing strategy helps to manage risks and resources, ensure a quality work product, deliver project value and assist in backfilling short-term operational resource constraints. TPU's technology portfolio's resource demand has grown by 125% over previous estimates in project due to schedule delays and the addition of previously unplanned projects added to the 2019/2020 technology project portfolio, addition of the Energy Imbalance Market program as well as expanded use of the contracts to other areas of TPU and General Government. The requested increase to the contract is attributable to the below identified projects, portfolio and operational initiatives throughout TPU and General Government along with estimated impact:

- Workforce Connect (Mobile) Replacement: \$612,528.00
- 2019/2020 UTS Technology Project Portfolio (5 additional projects): \$1,294,400.00
- Energy Imbalance Market program: \$263,120.00
- Expanded use outside of the UTS, PMO: \$3,041,944.00
  - Analytics assistance
  - Cybersecurity assistance
  - ESRI assistance
  - Systems administration
  - Technical documentation
  - Facilities project management and coordination
  - IT consulting and development

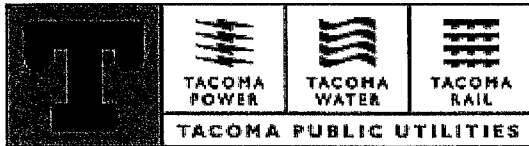
#### ALTERNATIVES:

##### Alternative 1: No augmented staffing

This method would remove existing contracted staff augmentation to identified projects, programs, operational initiatives and supporting elements to the UTS Project Management Office. This approach would require shifting existing resources to focus solely on project/programs with the highest strategic values. Simply stated, based on current resource projections – there is not enough resource bandwidth to support the portfolio.

**Impact:** This alternative significantly reduces both the number of projects that can be concurrently supported and delivered – thereby negatively impacting the ability to deliver on strategic projects and identified value to the organization. Further, it removes supporting project roles that assist in improving quality to project deliverables, benefits and outcomes.





Recommendation: This alternative is strongly discouraged, as it has high potential to create numerous unnecessary project/program delays and risks.

#### Alternative 2: Full Time Employees only

Using this approach, new Full Time Employees (FTE) positions would be created and subsequently filled to support the ongoing projects/programs. These positions would ultimately fill the current identified capacity gaps filled by augmented staffing. While this approach would address the short-term project demand, it would add long-term personnel costs to TPU. This could ultimately result in the potential of unnecessary staffing furloughs after the portfolio of work has been delivered.

Impact: This approach does not enable the PMO to quickly mobilize additional resources to address unplanned initiatives and unfunded mandates. This approach could provide effective staffing levels to the portfolio of work, and may not negatively impact the ability to achieve project benefits. However, there is a longer-term commitment to staffing levels and ongoing costs with this approach.

Recommendation: This alternative is discouraged due to the unnecessary long-term employment commitments to address near-term resource capacity demands.

#### Alternative 3: Staff Augmentation + Projects of Limited Duration

Key supporting roles would continue to be staff augmented through professional services. This approach addresses the short-term resource demands of the portfolio without requiring a long-term commitment to ongoing personnel costs. In addition, TPU will request authorization to establish Special Projects of Limited Duration where appropriate to designate internal/external SMEs to be fully committed to project assignments.

This approach would allow staffing flexibility and a likely overall reduction of labor costs in executing the body of work.

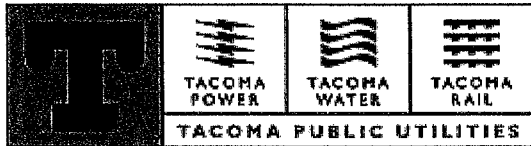
Impact: Reduction to overall costs of professional services and temporary increase to budgeted labor. This approach would provide effective staffing levels to the portfolio of work, and does not negatively impact the ability to achieve project benefits.

Recommendation: This approach, alongside Special Projects of Limited Duration for identified key resources – ***is the recommended staffing approach*** to accomplishing the identified work and providing value. The funding increase request, as described, assumes this alternative.

### COMPETITIVE SOLICITATION:

The original contract was awarded to MW Partners as a result of a Request for Proposals Specification No. PS17-0136F.

### CONTRACT HISTORY:



Resolution U-10930, approved by the Public Utility Board in May 2017, authorized a three-year contract with MW Partners, in the amount of \$1,900,000 for IT project management temporary staffing services to support the following projects:

- Energy Management System (EMS) Upgrade
- Workforce Connect (Mobile) Replacement
- Data Analytics Implementation
- Outage Communications Implementation
- ESRI GIS Data Replication
- Drawing Management Solution Implementation
- Paybox Replacement
- Wide Area Network (WAN) Modernization
- Land Mobile Radio (LMR) Replacement

Amendment No 1 to the contract approved by Public Utility Board via Resolution U-11022 on August 9, 2018 authorized an extension of performance from June 25, 2020 through February 28, 2022 and an increase in the amount of \$2,999,436.00 for a total contract equaling \$4,899,426.00.

Amendment No 2 to the contract executed October 25, 2018 authorized expansion of the scope of Categories 3 and 7 and further expanded and updated the rate tables in Exhibit C. There was no change to the contract value or term.

SBE/LEAP COMPLIANCE: Not applicable.

#### **FISCAL IMPACT:**

##### **EXPENDITURES:**

<b>FUND NUMBER &amp; FUND NAME *</b>	<b>COST OBJECT (CC/WBS/ORDER)</b>	<b>COST ELEMENT</b>	<b>TOTAL AMOUNT</b>
Fund 4700 - Power			\$4,393,094.00
Fund 4600 - Water			\$238,379.00
Fund 1060-STMT – PWS Street Maintenance			\$19,374.00
Fund 4300 – ESD Wastewater			\$71,309.00
Fund 4200 – ESD Solid Waste			\$47,497.00
Fund 4301 – ESD Surface Water Utility			\$47,497.00
Fund 4500 – Rail			\$78,968.00
Fund 5800 – Information Systems			\$315,874.00
<b>TOTAL</b>			<b>\$5,211,992.00</b>

\* General Fund: Include Department



REVENUES: N/A

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

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 5,211,992.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

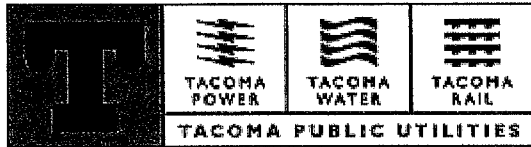
A handwritten signature in blue ink, appearing to read 'Chris Robinson'.

Chris Robinson, Power Superintendent

APPROVED:

A handwritten signature in blue ink, appearing to read 'Jackie Flowers'.

Jackie Flowers, Director of Utilities



RESOLUTION NO.: U-11143

ITEM NO.: 3

MEETING DATE: \_\_\_\_\_

**TO:** Board of Contracts and Awards  
**FROM:** Chris Robinson, Power Superintendent, Tenzin Gyaltsen, UTS Section Manager;  
and Tony Landrith, UTS Assistant Section Manager  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP  
Coordinator, and Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Increase Contract for Utility Technology Portfolio Project Management  
Temporary Staffing Services Contract on Mission Critical Projects  
Specification No. PS17-0136F, Contract No. 4600012719  
**DATE:** January 27, 2020

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#### **RECOMMENDATION SUMMARY:**

Tacoma Power, Utility Technology Services (UTS) requests approval to increase contract 4600012719, to **KRE Consulting, LLC, Pasadena, CA**, by \$2,440,444.00, plus any applicable taxes for IT project management temporary staffing services to assist with the implementation and replacement of technology solutions for mission-critical projects. This increase will bring the contract to a cumulative total of \$5,324,724.00, plus any applicable taxes.

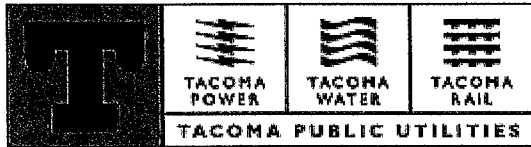
#### **BACKGROUND:**

**ISSUE:** Projects often represent temporary bodies of work that ebb and flow based upon a number of business factors. As a body of work, the factors in a portfolio of work can change frequently – causing an unpredictable demand on resources.

Professional staffing services are a component of a well-rounded resource strategy to help ensure program, portfolio and project initiatives are positioned to achieve their identified success measures and to provide flexibility in filling resource gaps. As a component of a resourcing strategy, augmented staffing is an effective technique to address short-term resource constraints – avoiding FTE resource commitments where long-term workload demand may not exist.

In 2016, Tacoma Public Utilities (TPU) Utility Technology Services (UTS) took strides toward adding professional staffing services as a component of their resource strategy – developing an RFP, selecting vendors and proposing corresponding contracts. The original bench contracts were approved by the Public Utility Board in 2017, in order to support TPU UTS specific technology portfolio and projects.

During the 2017/2018 and into the 2019/2020 biennium, TPU has been able to accomplish foundational projects and has begun work efforts aimed at transformational and strategic initiatives that drive efficiencies and operational excellence across the organization. The efforts required to progress to this future state demands a diverse sets of skills that are critical in project and program delivery.



Over the past 32 months, the Utility has recognized the value of staff augmentation and has expanded the use of the bench contracts beyond the technology portfolio. The further adoption of this mitigation alternative has grown the scope and use of these bench contracts beyond the original intent.

Currently, contracted resources are assigned to in-flight projects and programs and are needed in order to assist in completing on-going projects for the current 2019/2020 biennium as well as mitigate short-term operational staffing needs. Additional funding is needed to ensure the continuity of active projects and programs, provide resourcing as identified and complement the support of operations.

The staffing strategy helps to manage risks and resources, ensure a quality work product, deliver project value and assist in backfilling short-term operational resource constraints. TPU's technology portfolio's resource demand has grown by 125% over previous estimates in project and programs due to additional initiatives such as the Energy Imbalance Market program, transformational initiatives as a result of Advanced Metering as well as the addition of previously unplanned projects and schedule delays within the 2019/2020 technology project portfolio. The requested increase to the contract is attributable to the below identified projects, programs and portfolio along with estimated impact:

- Advanced Metering Infrastructure Program: \$127,000.00
- Energy Imbalance Market Program: \$589,560.00
- Workforce Connect (Mobile) Replacement: \$1,470,884.00
- 2019/2020 UTS Technology Project Portfolio (5 additional projects): \$253,000.00

#### ALTERNATIVES:

##### Alternative 1: No augmented staffing

This method would remove existing contracted staff augmentation to identified projects, programs, operational initiatives and supporting elements to the UTS Project Management Office. This approach would require shifting existing resources to focus solely on project/programs with the highest strategic values. Simply stated, based on current resource projections – there is not enough resource bandwidth to support the portfolio.

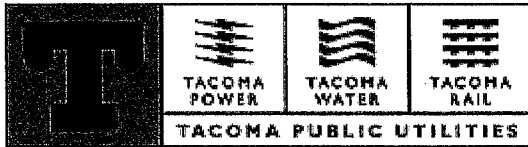
**Impact:** This alternative significantly reduces both the number of projects that can be concurrently supported and delivered – thereby negatively impacting the ability to deliver on strategic projects and identified value to the organization. Further, it removes supporting project roles that assist in improving quality to project deliverables, benefits and outcomes.

**Recommendation:** This alternative is strongly discouraged, as it has high potential to create numerous unnecessary project/program delays and risks.

##### Alternative 2: Full Time Employees only

Using this approach, new Full Time Employees (FTE) positions would be created and subsequently filled to support the ongoing projects/programs. These positions would ultimately fill the current identified capacity gaps filled by augmented staffing. While this approach would





address the short-term project demand, it would add long-term personnel costs to TPU. This could ultimately result in the potential of unnecessary staffing furloughs after the portfolio of work has been delivered.

**Impact:** This approach does not enable the PMO to quickly mobilize additional resources to address unplanned initiatives and unfunded mandates. This approach could provide effective staffing levels to the portfolio of work, and may not negatively impact the ability to achieve project benefits. However, there is a longer-term commitment to staffing levels and ongoing costs with this approach.

**Recommendation:** This alternative is discouraged due to the unnecessary long-term employment commitments to address near-term resource capacity demands.

#### Alternative 3: Staff Augmentation + Projects of Limited Duration

Key supporting roles would continue to be staff augmented through professional services. This approach addresses the short-term resource demands of the portfolio without requiring a long-term commitment to ongoing personnel costs. In addition, TPU will request authorization to establish Special Projects of Limited Duration where appropriate to designate internal/external SMEs to be fully committed to project assignments.

This approach would allow staffing flexibility and a likely overall reduction of labor costs in executing the body of work.

**Impact:** Reduction to overall costs of professional services and temporary increase to budgeted labor. This approach would provide effective staffing levels to the portfolio of work, and does not negatively impact the ability to achieve project benefits.

**Recommendation:** This approach, alongside Special Projects of Limited Duration for identified key resources – ***is the recommended staffing approach*** to accomplishing the identified work and providing value. The funding increase request, as described, assumes this alternative.

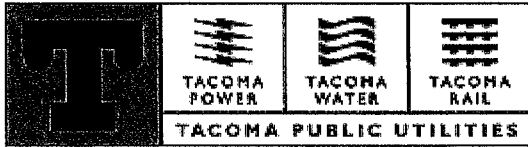
#### COMPETITIVE SOLICITATION:

The original contract was awarded to KRE Consulting, LLC as a result of a Request for Proposals Specification No. PS17-0136F.

#### CONTRACT HISTORY:

Resolution U-10930, approved by the Public Utility Board in May 2017, authorized a three-year contract with KRE Consulting, LLC, in the amount of \$1,100,000 for IT project management temporary staffing services to support the following projects:

- Energy Management System (EMS) Upgrade
- Workforce Connect (Mobile) Replacement
- Data Analytics Implementation
- Outage Communications Implementation



- ESRI GIS Data Replication
- Drawing Management Solution Implementation
- Paybox Replacement
- Wide Area Network (WAN) Modernization
- Land Mobile Radio (LMR) Replacement

Amendment No 1 to the contract executed September 14, 2017 authorized expansion of the scope of Category 10 and further expanded and updated the rate tables in Exhibit C. There was no change to the contract value or term.

Amendment No 2 to the contract executed November 16, 2017 authorized the addition of new Category 12 "Payment Card Industry Services" and to provide additional specific details for work to be performed under the new Category 12. There was no change to the contract value or term.

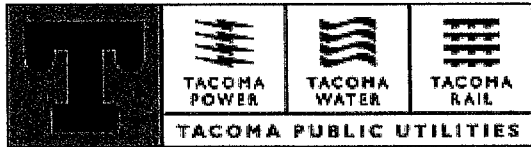
Amendment 3 to the contract executed July 2018 authorized expansion of the scope of Category 10, modification of the description of Category 10 services and further expanded and updated the rate tables in Exhibit C. There was no change to the contract value or term.

Amendment 4 to the contract approved by Public Utility Board via Resolution U-11022 on August 13, 2018 authorized an extension of performance from June 13, 2020 through February 28, 2022 and an increase in the amount of \$1,784,280.00 for a total contract equaling \$2,884,280.00.

Amendment 5 to the contract executed April 10, 2019 authorized expansion of the scope of Categories 3 and 7 and further expanded and updated the rate tables in Exhibit C. There was no change to the contract value or term.

SBE/LEAP COMPLIANCE: Not applicable.

**FISCAL IMPACT:**



**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 4700 - Power			\$1,803,044.00
Fund 4600 - Water			\$ 421,309.00
Fund 1060-STMT – PWS Street Maintenance			\$30,616.00
Fund 4300 – ESD Wastewater			\$60,700.00
Fund 4200 – ESD Solid Waste			\$58,837.00
Fund 4301 – ESD Surface Water Utility			\$58,837.00
Fund 4500 – Rail			\$7,099.00
<b>TOTAL</b>			<b>\$2,440,444.00</b>

\* General Fund: Include Department

**REVENUES: N/A**

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

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 2,440,444.00**

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

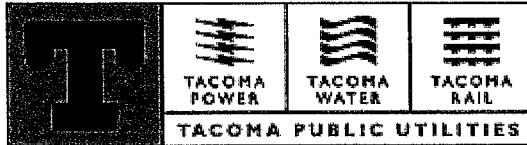
**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**



Chris Robinson, Power Superintendent

APPROVED:

Jackie Flowers, Director of Utilities



RESOLUTION NO.: U-11143  
ITEM NO.: 4  
MEETING DATE: FEBRUARY 26, 2020

**TO:** Board of Contracts and Awards  
**FROM:** Tenzin Gyaltzen, Power/UTS Section Manager  
Johnny Rivera, Assistant Section Manager, Power/UTS/Service Management Office  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Tacoma Power Multi-Functional Copier Lease/Managed Service Contract, Washington State Contract 00215, NASPO ValuePoint 40-000-14-0017 for Managed Print Services and Washington State Contract 05214 NASPO ValuePoint 3091 for Copiers, Printers and Related Devices, Ariba Contract Workspace No. CW2232302 – February 26, 2020  
**DATE:** February 6, 2020

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**RECOMMENDATION SUMMARY:**

Tacoma Power / Utility Technology Services recommends a contract be awarded to Ricoh USA, Inc., of Dallas, TX, for 80 Multi-Functional Copier Lease, Variable Usage, Support Services, and Supplies; including a new follow-me print functionality in eleven locations throughout Tacoma Public Utilities. All costs, including the variable costs for usage/prints, is \$2,000,000, plus applicable taxes, for an initial contract term of five years, with an option to renew for an additional two years, for a projected total contract amount of \$2,800,000.

**BACKGROUND:**

Tacoma Power's current multi-functional Sharp copiers have reached end of life and are incurring frequent repairs and downtime impacting productivity. The original contract with Sharp was purchased under RFP PR12-0756F in 2013 and approved by the Public Utility Board under resolution U-10666. General Government currently utilizes Ricoh for their copier needs and in an effort to align Tacoma Public Utilities' copier equipment and services with General Government, Tacoma Power has selected Ricoh as their replacement provider.

**ISSUE:** The current Sharp multi-functional devices are in need of frequent repair which impact productivity and customer satisfaction. Sharp copiers are nearly six years old and well beyond their useful life.

**ALTERNATIVES:** Tacoma Public Utilities considered renewing with Sharp, but after extensive customer satisfaction surveys, it was decided that the quality of Sharp services was unacceptable. UTS met with General Government staff regarding their device and service satisfaction and learned Ricoh quality to be ideal. Their copier systems are managed by the Information Technology Department, so the transition to Ricoh will have lower costs since system integration is complete and already functioning well.

**COMPETITIVE SOLICITATION:**

Washington State contracts 00215 and 05214, executed as participating addendum to NASPO ValuePoint contracts, meet the City's competitive solicitation requirements. The ability to participate in cooperative purchasing through state contracts, and by leveraging shared services with General Government, Tacoma Power was able to negotiate lower prices than the NASPO cooperative by 25 percent.





CONTRACT HISTORY: New contract.

SBE/LEAP COMPLIANCE: Not applicable.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Fund (copier)			\$2,800,000.00
TOTAL			

**REVENUES: N/A**

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

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$337,523.56**

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

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

Chris Robinson, Power Superintendent

**APPROVED:**

Jackie Flowers, Director of Utilities



## RESOLUTION NO. U-11144

1  
2 A RESOLUTION related to the adoption of a Surplus Real Property Disposition  
3 Policy.

4 WHEREAS the City of Tacoma, Department of Public Works, Real  
5 Property Services Division, in collaboration with the Department of Public  
6 Utilities, has drafted a Tacoma Public Utilities – Surplus Real Property  
7 Disposition Policy to: a) provide direction for the disposition of Tacoma Public  
8 Utilities real property; b) better align with Council approved Policy for the  
9 Sale/Disposition of City-owned General Government Real Property; and c)  
10 enact affordable housing transfer rules consistent with RCW 39.33.015, and  
11

12 WHEREAS on September 12, 1990, the City of Tacoma's Public Utility  
13 Board ("TPU Board") adopted Resolution U-8459, to approve various policies,  
14 including Policy 2.2, which directed the department to continue to manage  
15 surplus property in a manner that is determined to be in the department's best  
16 interest, and

17 WHEREAS on November 6, 1991, the TPU Board adopted Resolution U-  
18 8640 revising Policy No. 2.2 to create additional guidelines regarding disposal  
19 of property, including compliance with City Code, Charter and State law,  
20 assuring equal opportunity and establishing limited disposition procedures, and  
21

22 WHEREAS on June 7, 2018, Washington House Bill 2382, went into  
23 effect authorizing public agencies to transfer real property for reduced cost for  
24 affordable housing, the Bill was codified as RCW 39.33.015, and was  
25 contingent upon the governing body or legislative authority of a municipality or  
26 political subdivision enacting rules to regulate the disposition, and



1  
2 WHEREAS on September 17, 2019, the City Council adopted a revised  
3 Disposition Policy for General Government Real Property, which places a high  
4 priority on dispositions which increase affordable housing, and adopts a policy  
5 concerning how General Government will coordinate with the Puyallup Tribe of  
6 Indians concerning general government surplus property, and

7  
8 WHEREAS on October 9, 2019, Real Property Services presented a  
9 draft of the proposed policy for TPU surplus property to the Public Utility Board,  
10 and

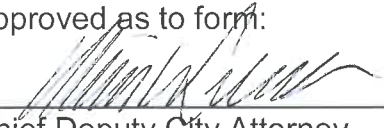
11 WHEREAS Real Property Services now recommends the adoption of  
12 the herein enclosed Tacoma Public Utilities - Surplus Real Property Disposition  
13 Policy, and

14  
15 WHEREAS it is in the best interests of Tacoma Public Utilities and the  
16 ratepayers to adopt the proposed policy; Now, therefore,

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

18 That the Tacoma Public Utilities – Surplus Real Property Disposition  
19 Policy, in the form as on file with the Clerk, is adopted and approved.

20  
21 Approved as to form:

22   
23 \_\_\_\_\_  
24 Chief Deputy City Attorney

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

25 \_\_\_\_\_  
26 Clerk

Adopted \_\_\_\_\_



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Dylan Harrison, Senior Real Estate Officer, Public Works  
Jennifer Hines, Assistant Division Manager, Public Works  
**MEETING DATE:** February 26, 2020  
**DATE:** February 12, 2020

---

### SUMMARY:

A resolution adopting the Tacoma Public Utilities - Surplus Real Property Disposition Policy to a) provide direction for the disposition of TPU real property; b) better align with Council approved Policy for the Sale/Disposition of City-owned General Government Real Property and; c) enact affordable housing transfer rules consistent with RCW 39.33.015.

### BACKGROUND:

On September 12, 1990, TPU Board adopted U-8459 approving various policies, including Policy 2.2, which directed the department to continue to manage surplus property in a manner that is determined to be in the department's best interest.

On November 6, 1991, TPU Board adopted U-8640 revising Policy No. 2.2 to create additional guidelines regarding disposal of property, including compliance with City Code, Charter and State law, assuring equal opportunity and establishing limited disposition procedures.

On June 7, 2018, Washington House Bill 2382, went into effect authorizing public agencies to transfer real property for no cost for affordable housing. The Bill was codified as RCW 39.33.015, and was contingent upon the governing body or legislative authority of a municipality or political subdivision enacting rules to regulate the disposition.

Subsequent to said Bill's adoption, the City of Tacoma, including Tacoma Public Utilities, received various inquiries regarding plans for implementing rules for disposition of property for affordable housing. Further, Real Property Services and other City stakeholder began reviewing options to update the almost 30-year old surplus disposition policy and to implement said affordable housing rules in accordance with the RCW.

On September 17, 2019, City Council adopted a revised Disposition Policy for General Government Real Property, with the primary purpose of placing the highest priority on dispositions which increase affordable housing. Further, the policy gave the Puyallup Tribe of Indians first right of refusal to any general government property within their historical boundaries existing prior to the Medicine Creek Treaty.

On October 9, 2019, Real Property Services presented a draft Tacoma Public Utilities - Surplus Real Property Disposition Policy to the Public Utility Board, and support was provided as follows:

- Assigning priority to affordable housing on all In-City properties zoned for housing.
- Affordable housing options for other jurisdictions if in compliance with RCW.
- Providing advanced notice to Tribal partners and other Land Use Authorities.
- Continued public use when offers are comparable.



## Board Action Memorandum

The draft policy was revised to incorporate said support, and Real Property Services now recommends the adoption of the herein enclosed Tacoma Public Utilities - Surplus Real Property Disposition Policy to a) provide direction for the disposition of TPU real property; b) better align with Council approved Policy for the Sale/Disposition of City-owned General Government Real Property and; c) enact affordable housing transfer rules consistent with RCW 39.33.015.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No.

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

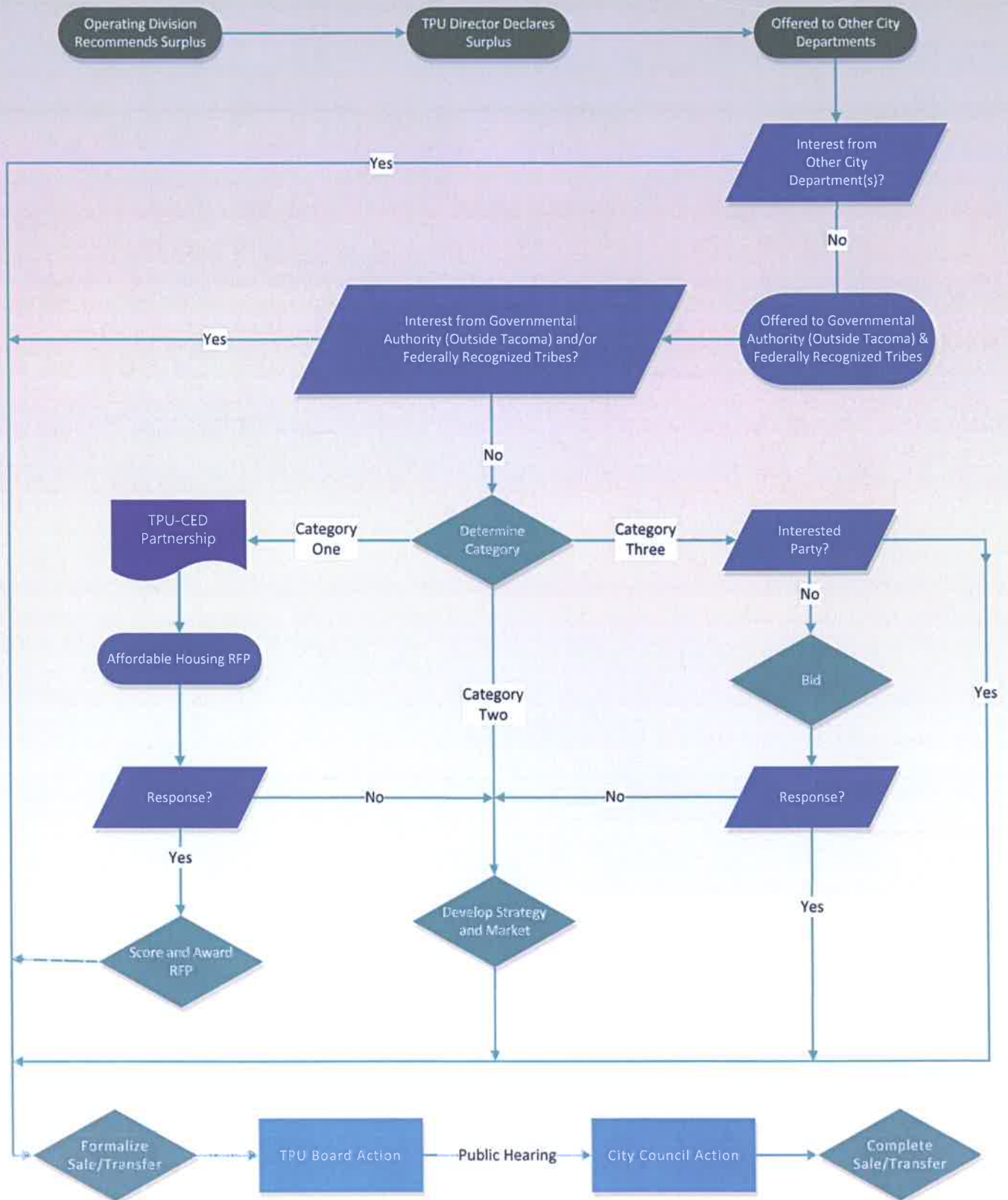
**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?** No.

**ATTACHMENTS:** Public Utility Board Resolution No. U-8640  
Draft Tacoma Public Utilities - Surplus Real Property Disposition Policy

**CONTACT:** Dylan Harrison, Senior Real Estate Officer, (253) 502-8836, [dharrison@cityoftacoma.org](mailto:dharrison@cityoftacoma.org)  
Jennifer Hines, Assistant Division Manager, (253) 591-5320, [jhines@cityoftacoma.org](mailto:jhines@cityoftacoma.org)



# TPU Surplus Real Property Disposition Flowchart





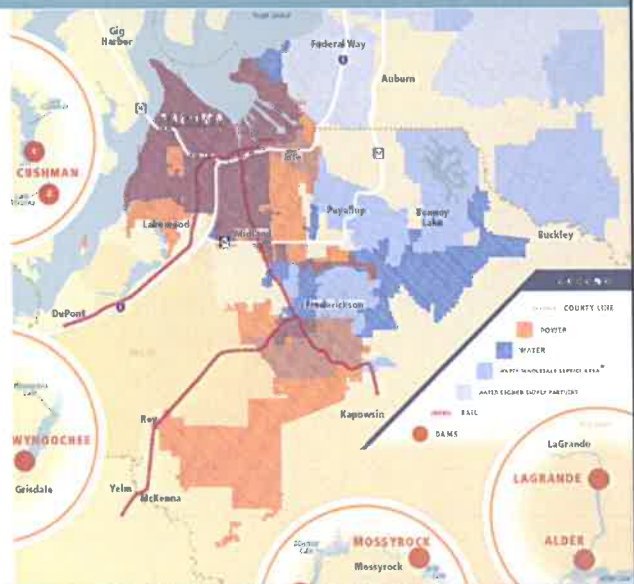
## Surplus Real Property Disposition Policy **DRAFT**

Real Property Services  
Public Utility Board – February 26, 2020

### Introduction

- 1,000+ parcels in 6 counties
- <10 are currently surplus
- Current TPU policy from 1991
- HB 2382 – RCW 39.33.015
- GG Policy Update – 9/17/19
  - Affordable Housing
  - PTOI Offering
- TPU Policy Team

2



## Policy Drivers

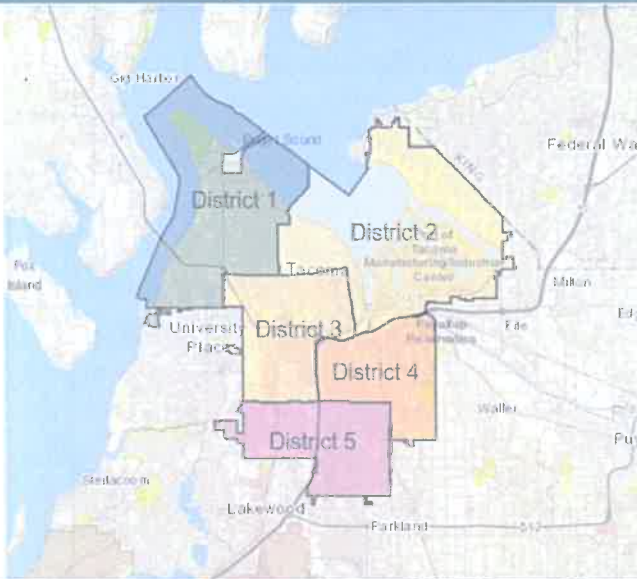
- Fair Market Value (FMV)
- City of Tacoma Affordable Housing and Equity Goals
- Tribal & Other Jurisdictional Interests
- TPU Board Strategic Directives



3

## TPU Policy – Within City

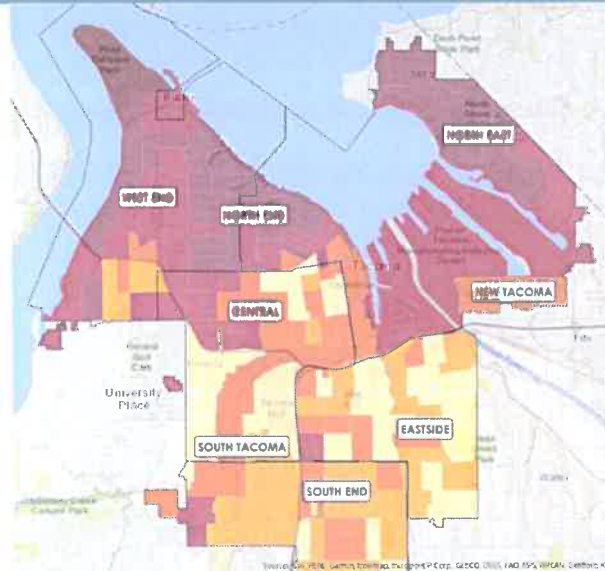
1. Notice to Other City Departments
2. Notice to Tribes (for FMV or Affordable Housing per RCW)
3. Category 1:  
Zoned for Affordable Housing
4. Category 2:  
High Market Demand
5. Category 3:  
Little to No Market Demand



4

## T Affordable Housing – Within City

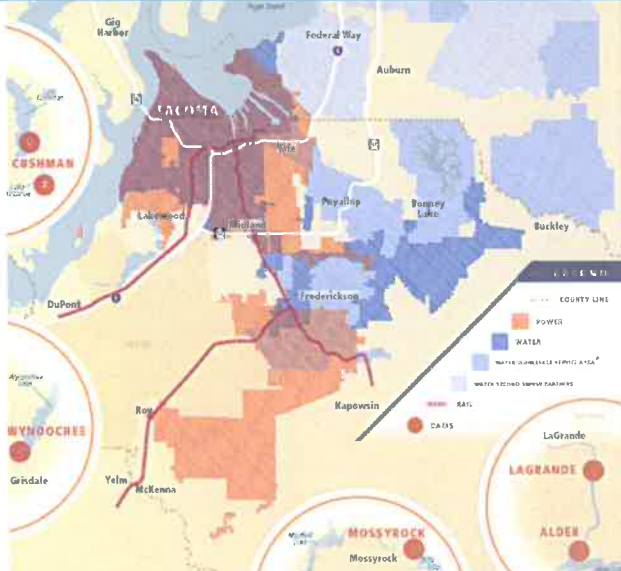
- Enact rules per RCW 39.33.015.
- Applies to all property zoned for housing.
- Requires a formal RFP process.
- Baseline requirements in-line with GG Policy.



5


## T TPU Policy – Outside City

1. Notice to Other City Departments
2. Notice to Tribes & Other Land Use Authorities (for FMV or Affordable Housing per RCW)
3. Category 1: N/A
4. Category 2: High Market Demand
5. Category 3: Little to No Market Demand




6





## Policy Highlights

- Affordable housing on all In-City properties zoned for housing.
- Affordable housing options for other jurisdictions.
- Advance notice to Tribes and other Land Use Authorities.
- Continued public use when offers are comparable.



7



## RESOLUTION NO. U-11145

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

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

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

17 WHEREAS the estimated value of the Flett Substation Power  
18 Transformer and Wapato Substation Power Transformer are \$5,000 each, and

19 WHEREAS a public hearing was conducted on February 26, 2020, as  
20 required by RCW 35.94.040, and

21 WHEREAS Tacoma Power requests that the Utility Board, pursuant to  
22 the requirements of RCW 35.94.040 and TMC 1.06.272-278, declare the Flett  
23 Substation Power Transformer and Wapato Substation Power Transformer  
24 surplus to Tacoma Power's needs and authorizes Tacoma Power to sell the  
25 equipment to the highest responsive bidder(s); Now, Therefore,  
26



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

2  
3 Sec. 1. The Flett Substation Power Transformer and Wapato Substation  
4 Power Transformer identified on the Declarations of Surplus Property are no  
5 longer necessary for providing continued public utility service, and are hereby  
6 declared surplus to Tacoma Power's needs.

7 Sec. 2. Tacoma Power is hereby authorized to sell the Flett Substation  
8 Power Transformer and Wapato Substation Power Transformer at a bid sale(s)  
9 to the highest responsive bidder(s), and should the transformers not be  
10 acquired at sale(s), Tacoma Power is authorized to otherwise dispose of the  
11 Flett Substation Power Transformer and/or Wapato Substation Power  
12 Transformer in Tacoma Power's best interests.

13  
14 Sec. 3. If a bid for the Flett Substation Power Transformer or Wapato  
15 Substation Power Transformer is higher than \$500,000, then the highest bid  
16 over \$500,000 for that lot will be brought by Tacoma Power to the Board for  
17 formal approval of the sale.  
18

19 Approved as to form:

20   
21 \_\_\_\_\_  
22 Chief Deputy City Attorney

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

23 \_\_\_\_\_  
24 Clerk

\_\_\_\_\_  
Adopted



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Chris Robinson, Power Superintendent/COO  
**MEETING DATE:** February 26, 2020  
**DATE:** February 19, 2020

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

**BACKGROUND:** The equipment listed on the attached surplus equipment description are considered surplus to Tacoma Power's needs due to their age or condition, and are no longer required for providing continued public utility service. These surplus items should be advertised and sold to the highest responsive bidder in accordance with applicable state and City of Tacoma laws and Finance Department surplus policies. The surplus equipment was originally acquired for public utility purposes and, per RCW 35.94.040, its disposal requires approval of a surplus declaration and a public hearing by the Public Utility Board prior to sale. Proceeds from the sale will be added to the Tacoma Power general fund.

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

**IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**  
Explain how expenditures are to be covered and if budget modifications are required.

**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?** No.

**ATTACHMENTS:** List any attachments (contracts, policies, agreements, etc.).

- Surplus Wapato Substation Power Transformer
- Surplus Flett Substation Power Transformer

**CONTACT:** Sean Velez, Substation Maintenance Supervisor, 253-502-8713  
Christine Lewis, Substations and System Maintenance Assistant Section Manager, 253-502-8656



# City of Tacoma

## Declaration of Surplus Property (DSP)

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

**Date:** January 8.  
**Phone:** 502-8713

- ☒ Declaration of Surplus Personal Property  
☐ Declaration of Surplus Real Property  
☐ Declaration of Unusable Personal Property<sup>1</sup>

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

### Description of Surplus Property

Describe Item or Attach List:	<u>Flett Substation Power Transformer</u>
Address/Location of Items:	<u>7502 Grange Ave. W. Tacoma, WA</u>
Estimated Commercial or Resale Value:	<u>\$ 5,000</u>
Minimum Acceptable Bid:	<u>\$ N/A</u>

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

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

Department/Division Head Signature

Date \_\_\_\_\_

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

Date \_\_\_\_\_

## DISPOSAL REQUEST

(to be completed by department)

Requested Disposal Method(s):

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

## DISPOSAL ACTION

**Internal Use Only – Purchasing Division**

- [illegible]

**APPROVED:**

Procurement and Payables Manager	Date
----------------------------------	------

# TACOMA POWER

## SUBSTATION SURPLUS EQUIPMENT

### Flett Substation Transformer

---

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

Item 1: 1973 25 MVA, 115KV to 12.5KV step down RTE/ASEA power transformer weighing approximately 74,000 LBS.

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

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

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

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

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

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

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

The Transformer Shop will require 24-hour's notice at (253) 502-8495 to ensure that personnel and equipment will be available. The bushings will be off-loaded by Tacoma Power, tested for PCB level, and drained of all fluids. Bushings with PCB levels greater than 45 ppm will be retained by Tacoma Power for proper PCB disposal. Bushings containing 45 ppm PCB or less will be picked up by the bidder following draining, within two weeks of notification of availability.

The surplus equipment is located at the following location:

Flett Substation  
7502 Grange Ave.  
Tacoma, WA 98409

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

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

**Schedule:**

The portion of the substation containing the transformer bank will be de-energized. It is anticipated that the surplus equipment will be made electrically safe for removal and available for bidder entry on or about: **August 10<sup>th</sup> 2020**. The timing for removal of the transformers is critical to allow for site demolition and construction work and replacement of the substation equipment according to Tacoma Power's schedule. It is in the interest of Tacoma Power that swift removal of surplus equipment takes place, therefore cooperation, assistance and communication between both parties shall be a priority.

While the anticipated substation availability schedule is listed above, the schedule may shift depending on Tacoma Power's needs. The contractor will be provided two weeks' notice of the availability of the substation. On that day, the transformer will be drained of oil and available for removal. The contractor will be allowed no more than **3 working days** to remove all listed equipment from the substation. If the availability of the substation is delayed, 2 full days will still be available for removal.

All work in the substations or on Tacoma Power property will be attended by a qualified Tacoma Power electrician as required by state electrical safety regulations. Tacoma Power will supply a qualified electrician between the hours of 8 am to 12 pm and 12:30 pm to 4:30 pm for the duration of the 3-day period, at no charge to the contractor. The contractor may arrange for additional hours at their own

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

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

**Cost for on-site supervision:**

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

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

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

**Training:**

Prior to entering the substations, all workers are required to receive mandatory substation safety training provided by Tacoma Power. This includes transient workers such as truck drivers. The training is provided at no cost during regular work hours and takes 1 hour.

**Oil Spill Prevention:**

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

**Work Plan:**

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

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

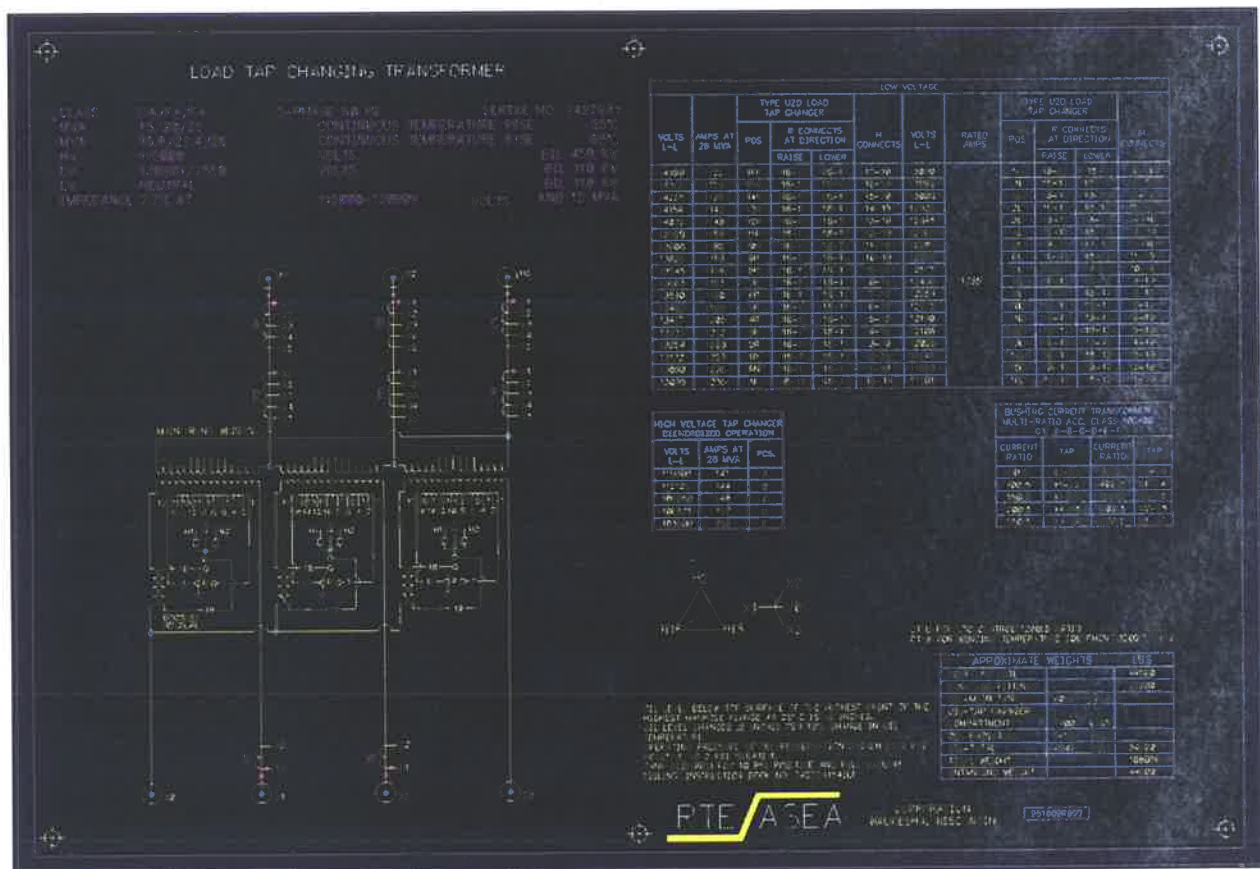


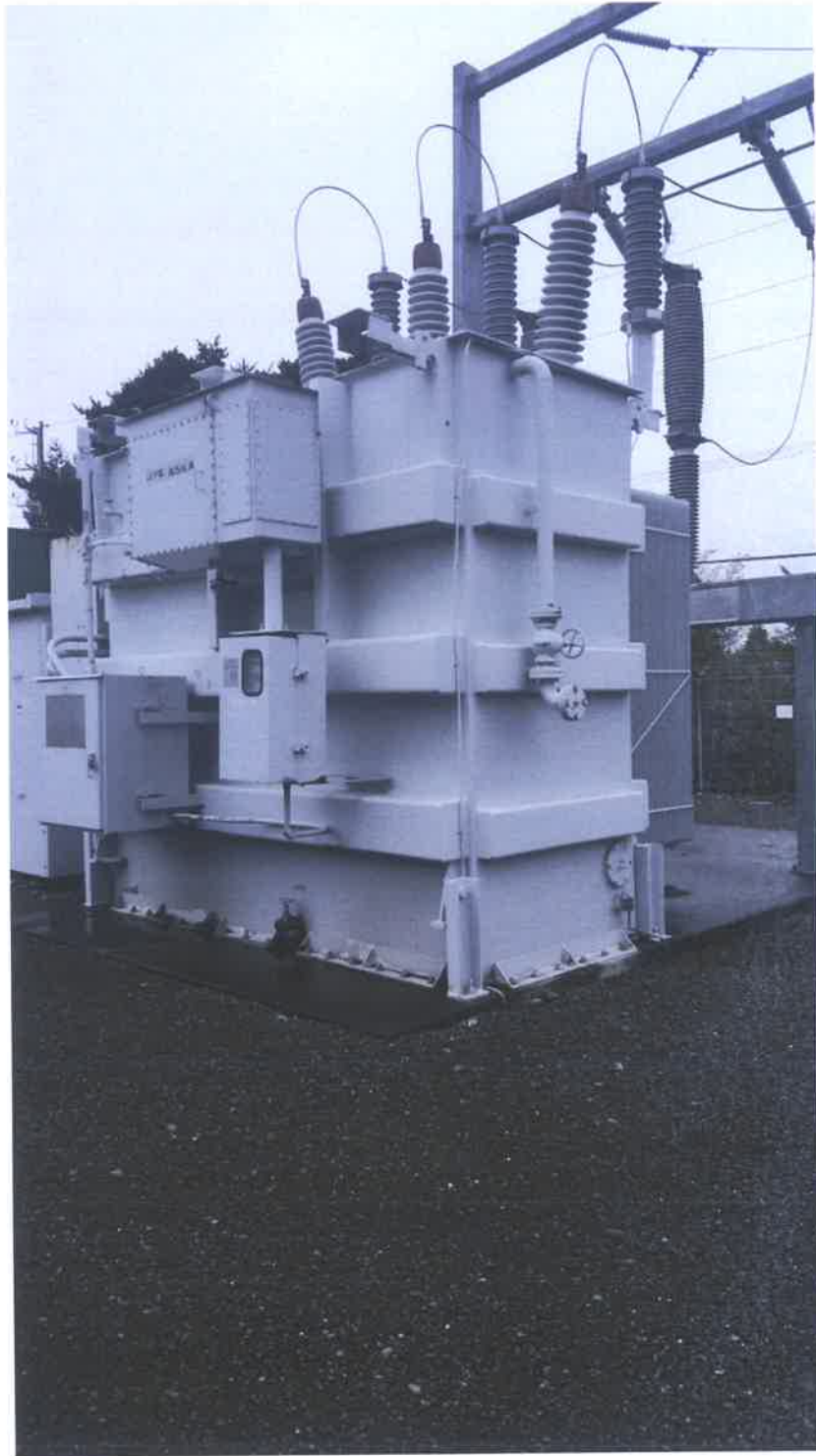
**Safety:**

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

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

## Appendix A: List of Surplus Equipment with Photos, Drawings, Descriptions







# City of Tacoma

## Declaration of Surplus Property (DSP)

**To:** Purchasing Division **Date:** January 8.  
**From:** T&D, C&M Wire Shop  
**Contact Name:** Sean Veley **Phone:** 502-8713

- ☒ Declaration of Surplus Personal Property  
☐ Declaration of Surplus Real Property  
☐ Declaration of Unusable Personal Property<sup>1</sup>

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

### Description of Surplus Property

Describe Item or Attach List: Wapato Substation Power Transformer Fixed Asset # \_\_\_\_\_  
Address/Location of Items: 6402 J St. S. Tacoma, WA Accounting (for costs/proceeds): \_\_\_\_\_  
Estimated Commercial or Resale Value: \$ 5,000 Cost Center: 561100  
Minimum Acceptable Bid: \$ N/A General Ledger Acct: 6421400

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

  
Department/Division Head Signature

2/12/20  
Date

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

Date

### DISPOSAL REQUEST

(to be completed by department)

Requested Disposal Method(s):

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

### DISPOSAL ACTION

Internal Use Only – Purchasing Division

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

**APPROVED:**

Procurement and Payables Manager Date

# TACOMA POWER

## SUBSTATION SURPLUS EQUIPMENT

### Wapato Substation Transformer

---

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

Item 1: 1976 25 MVA, 115KV to 12.5KV step down Federal Pacific Electric power transformer weighing approximately 80,000 LBS.

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

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

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

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

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

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



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

The Transformer Shop will require 24-hour's notice at (253) 502-8495 to ensure that personnel and equipment will be available. The bushings will be off-loaded by Tacoma Power, tested for PCB level, and drained of all fluids. Bushings with PCB levels greater than 45 ppm will be retained by Tacoma Power for proper PCB disposal. Bushings containing 45 ppm PCB or less will be picked up by the bidder following draining, within two weeks of notification of availability.

The surplus equipment is located at the following location:

Wapato Substation  
6402 J St. W.  
Tacoma, WA 98409

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

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

**Schedule:**

The portion of the substation containing the transformer bank will be de-energized. It is anticipated that the surplus equipment will be made electrically safe for removal and available for bidder entry on or about: **August 24<sup>th</sup> 2020**. The timing for removal of the transformers is critical to allow for site demolition and construction work and replacement of the substation equipment according to Tacoma Power's schedule. It is in the interest of Tacoma Power that swift removal of surplus equipment takes place, therefore cooperation, assistance and communication between both parties shall be a priority.

While the anticipated substation availability schedule is listed above, the schedule may shift depending on Tacoma Power's needs. The contractor will be provided two weeks' notice of the availability of the substation. Prior to that day, the transformer will be drained of oil and available for removal. The contractor will be allowed no more than **3 working days** to remove all listed equipment from the substation. If the availability of the substation is delayed, 3 full days will still be available for removal.

All work in the substations or on Tacoma Power property will be attended by a qualified Tacoma Power electrician as required by state electrical safety regulations. Tacoma Power will supply a qualified electrician between the hours of 8 am to 12 pm and 12:30 pm to 4:30 pm for the duration of the 3-day period, at no charge to the contractor. The contractor may arrange for additional hours at their own

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

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

**Cost for on-site supervision:**

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

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

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

**Training:**

Prior to entering the substations, all workers are required to receive mandatory substation safety training provided by Tacoma Power. This includes transient workers such as truck drivers. The training is provided at no cost during regular work hours and one hour.

**Oil Spill Prevention:**

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

**Work Plan:**

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

The bidder with the highest acceptable bid will be notified and must supply a detailed work plan within 10 days. The specific requirements for the work plan will be detailed by Tacoma Power when the

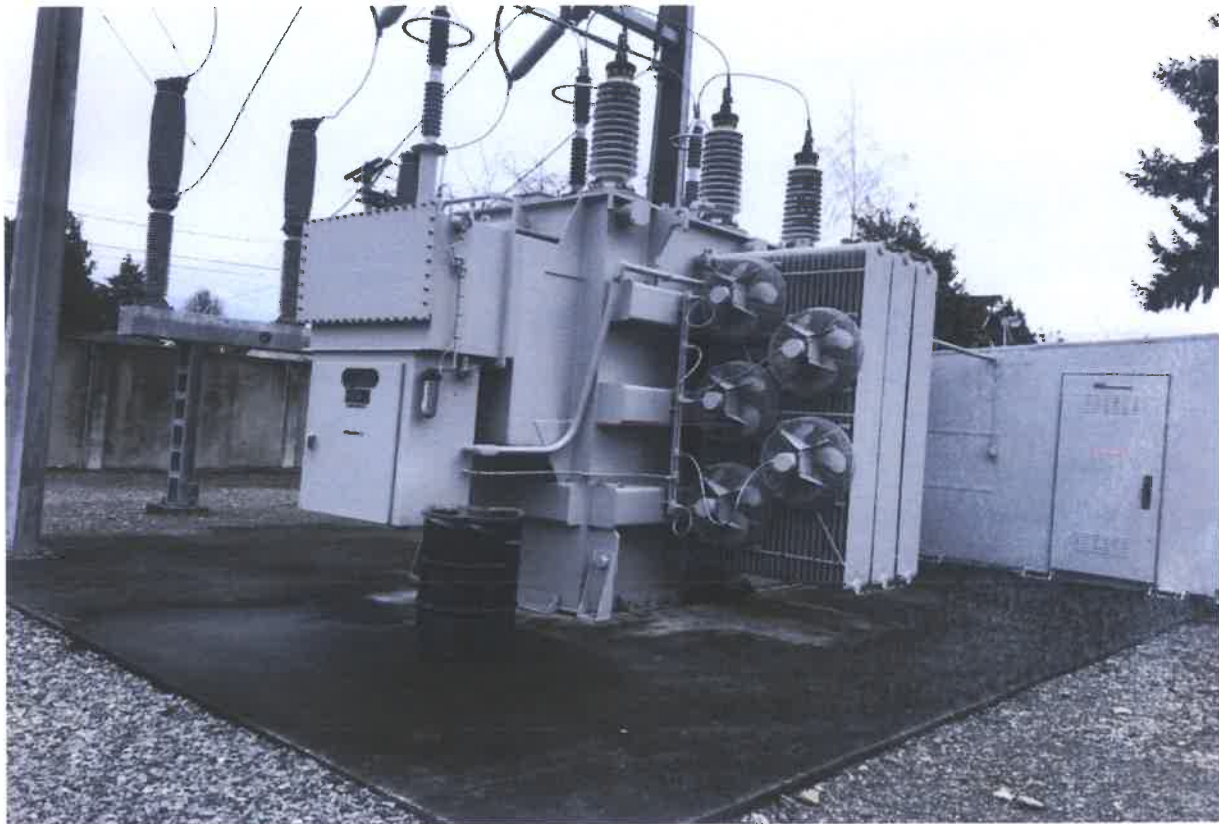
notification is made. A detailed work plan may not be necessary depending on the plan submitted with the bid. Failure to supply an acceptable work plan within 10 days may be grounds to reject the bid.

**Safety:**

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

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

**Appendix A:** List of Surplus Equipment with Photos, Drawings, Descriptions and Oil Testing Certificates





FEDERAL PACIFIC  
ELECTRIC COMPANY  
SAN JOSE, CALIFORNIA

TRANSFORMER

7.5% IMPEDANCE 15 MVA

3 PHASE	60 Hz	CLASS	QA	FA	FA	TEMP RISE ° C	H.V. 115,000 Δ	L.V. 13,090Y/7,560
SERIAL No	MVA	15	20	25	65			
50524-1								

WINDING DIAGRAM DWG.

F1329-B-2364 / F1329-D-2364  
F1329-B-2365 / F1329-C-2366

VOLTS	AMPERES AT 25000 MVA	TAP POS.	CONNECTS
115000	125.5	1	A TO B
112125	128.7	2	B TO C
109250	132.1	3	C TO D
106375	135.7	4	D TO E
103500	139.5	5	E TO F

BASIC IMPULSE INSULATION LEVEL, KV

H.V. WINDING	450 KV
L.V. WINDING	110 KV
L.V. WINDING NEUTRAL	110 KV
L.V. NEUTRAL BUSHING	110 KV

APPROXIMATE WEIGHT (IN LBS.)

UNTANKING	43,000
TANK & FITTINGS	27,000
OIL (MAIN TANK) 4070 GALS	30,000
OIL (OLTC) 150 GALS	1,000
TOTAL WEIGHT	101,000
WEIGHT OF COPPER IN WINDING	5,700

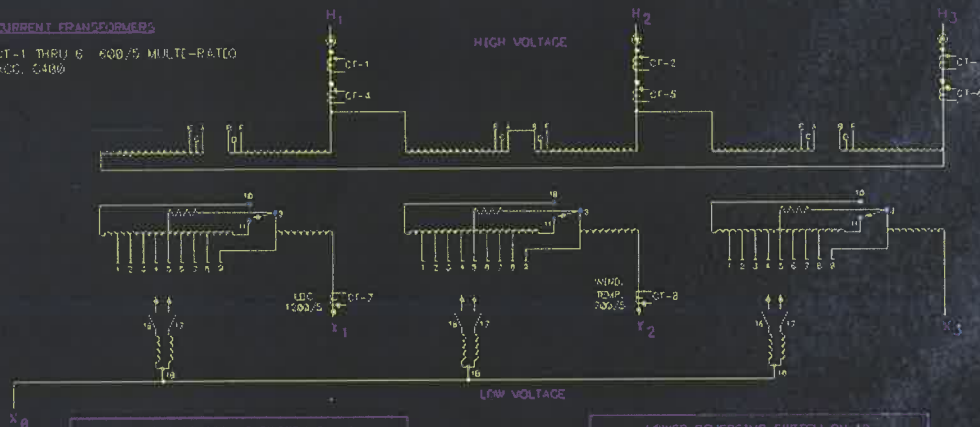
CAUTION:

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



CURRENT TRANSFORMERS

CT-1 THRU 6 600/5 MULTI-RATIO  
ACC. 3,400



LOW VOLTS	AMPERES AT 25 MVA	IND. POS.	CONTACTS ON
14,599	1602	16	1 + 1
14,317	1664	15	2 + 1
14,235	1614	14	2 + 2
14,154	1620	13	3 + 2
14,072	1626	12	3 + 3
13,990	1632	11	4 + 3
13,908	1638	10	4 + 4
13,826	1644	9	5 + 4
13,745	1650	8	5 + 5
13,663	1656	7	6 + 5
13,581	1663	6	6 + 6
13,499	1669	5	7 + 6
13,417	1676	4	7 + 7
13,335	1682	3	8 + 7
13,254	1689	2	8 + 8
13,172	1696	1	9 + 8
13,090	1103	N	9

LOW VOLTS	AMPERES AT 25 MVA	IND. POS.	CONTACTS ON
13,090	1103	N	9
13,008		1	9 + 1
12,926		2	1 + 1
12,845		3	1 + 2
12,763		4	2 + 2
12,681		5	2 + 3
12,599		6	3 + 3
12,517		7	3 + 4
12,435		8	4 + 4
12,354		9	4 + 5
12,272		10	5 + 5
12,190		11	5 + 6
12,108		12	6 + 6
12,026		13	6 + 7
11,945		14	7 + 7
11,863		15	7 + 8
11,781	1103	16	8 + 8

LIQUID LEVEL BELOW TOP OF HANDHOLE FLANGE AT 25°C 13.5 INCHES  
LIQUID LEVEL CHANGES 0.86 INCHES PER 10°C CHANGE IN LIQUID TEMPERATURE  
OPERATING PRESSURE RANGE OF OIL PRESERVATION SYSTEM 8 P.S.I. POSITIVE  
TO 8 P.S.I. NEGATIVE, TANK DESIGNED FOR 15 P.S.I. VACUUM FILLING.  
TRANSFORMER IS FILLED WITH UNINHIBITED OIL.

H. V. WINDING CU

L. V. WINDING CU

(INSTR BOOK IN-T-10)  
F-2112-B-2234





## RESOLUTION NO. U-11146

1 A RESOLUTION relating to Tacoma Water; declaring utility-owned real  
2 property surplus and authorizing the sale to Nash Cascadia Verde  
3 LLC.

4 WHEREAS the City of Tacoma, Department of Public Utilities, Water  
5 Division (d.b.a. "Tacoma Water"), requests that the Board declare surplus and  
6 approve the negotiated sale to Nash Cascadia Verde LLC ("Nash") of  
7 approximately 4.74 acres ("Property"), identified as a portion of Pierce County  
8 Assessor Tax Parcel No. 0519084009 - located adjacent to the Tehaleh Master  
9 Planned Community in the Bonney Lake vicinity of unincorporated Pierce  
10 County, WA, and

11 WHEREAS the sale tract is in a semi-rural to suburban location in  
12 southeast Pierce County and has been used for an access road in support of  
13 Pipeline No. 1, and

14 WHEREAS due to the steep topography in this area, Nash approached  
15 Tacoma Water to utilize this tract for installation of a storm water conveyance  
16 pipeline connecting to a storm water detention pond on their property, and

17 WHEREAS as long as the sale includes an easement to Tacoma Water  
18 for use of the access road Tacoma Water does not see a need to retain  
19 ownership of the tract as ownership entails additional management time and  
20 expense, and

21 WHEREAS the sale price of \$125,000, includes consideration of the road  
22 easement and is believed to reflect Fair Market Value based on recent sale  
23 activity, and  
24  
25  
26



1 WHEREAS the terms and conditions of the purchase and sale  
2 agreement have been reviewed by the City Attorney's Office, approved by  
3 Tacoma Water management and Real Property Services, and  
4

5 WHEREAS, due to the retained easement rights, Tacoma Water has  
6 determined that the Property sought by Nash is not essential for continued  
7 effective utility service and has deemed the Property surplus to Tacoma Water's  
8 needs pursuant to RCW 35.94.040 and TMC 1.06.280; Now, Therefore,

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

10 Sec. 1. That it is in the best interests of the City of Tacoma to approve  
11 the negotiated sale to Nash Cascadia Verde LLC ("Nash") of approximately  
12 4.74 acres, identified as a portion of Pierce County Assessor Tax Parcel No.  
13 0519084009 - located adjacent to the Tehaleh Master Planned Community in  
14 the Bonney Lake vicinity of unincorporated Pierce County, WA, and as more  
15 fully described in the documents on file with the Clerk of the Board.  
16

17 Sec. 2. That the Property is not essential for continued effective utility  
18 service by Tacoma Water and is properly declared surplus property and excess  
19 to Tacoma Water's needs.  
20

21 Sec. 3. Tacoma Water has negotiated the sale price of \$125,000, with  
22 consideration of an easement to Tacoma Water for current and future  
23 operations.

24 Sec. 4. Tacoma Water will seek Council approval for a declaration of  
25 surplus property and approval of sale by April 10, 2020.  
26



1           Sec. 4. That the City Council is requested to hold a public hearing on this  
2 matter pursuant to RCW 35.04.040, and thereafter approve this recommended  
3 sale and authorize the proper officers of the City of Tacoma to execute all  
4 necessary documents, substantially in the same form as on file with the Clerk  
5 and approved by the City Attorney.  
6

7 Approved as to form:

8 *[Signature]*  
9 Chief Deputy City Attorney

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

10 \_\_\_\_\_  
11 Clerk

Adopted \_\_\_\_\_



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Greg Volkhardt, Water Source and Treatment Operations Division Manager,  
Tacoma Water  
Greg Muller, Real Estate Officer, Real Property Services  
**MEETING DATE:** February 26, 2020  
**DATE:** February 14, 2020

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**SUMMARY:** Declare surplus and authorize the sale of approximately 4.74 acres of Tacoma Water property to Nash Cascadia Verde LLC ("Nash") for \$125,000.00. As part of the transaction, Nash will complete, at its sole expense, a Boundary Line Adjustment for the sale tract. In addition, an easement will be granted to Tacoma Water for continued use of the existing access road in support of Pipeline No. 1 current and future operations. This request is made to allow improved storm water retention and treatment in support of the Tehaleh master planned community in the Bonney Lake vicinity.

**BACKGROUND:** No previous request has been submitted to Board in relation to this proposal. The sale tract is in a semi-rural to suburban location in southeast Pierce County and has been used for an access road in support of Pipeline No.1. Due to steep topography in this area, Nash approached Tacoma Water to utilize this tract for installation of a storm water conveyance pipeline connecting to a storm water detention pond on their property. As Tacoma Water does not see a need to retain ownership of the tract as ownership entails additional management time and expense, it agreed to the sale with easement for the access road. The sale price, which includes consideration of the road easement, is believed to reflect Fair Market Value based on recent sales activity. The terms and conditions of the purchase and sale agreement have been reviewed by the City Attorney's Office and approved by Tacoma Water management and Real Property Services.

Upon approval by the Board, a separate request will be made to the City Council to hold a Public Hearing to be followed by Final Approval. Closing of the sale is expected by April 10, 2020.





**Board Action Memorandum**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No.**

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

**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No.**

**ATTACHMENTS:** Tacoma Water Real Estate Purchase and Sale Agreement No. A3206 (including Exhibit "B" Quit Claim Deed No. 6767 and Exhibit "C" Easement No. 2712); Location Map

**CONTACT:** Primary Contact: Greg Muller, Real Estate Officer, Ext 8256  
Supervisor: Dylan Harrison, Senior Real Estate Officer, Ext 8836



## City of Tacoma

## City Council Action Memorandum

**TO:** Elizabeth Pauli, City Manager  
**FROM:** Jackie Flowers, Director of Utilities  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Declaration of Surplus and Sale of Tacoma Water Real Property – City Council Consent Agenda for March 17, 2020  
**DATE:** February 14, 2020

**SUMMARY AND PURPOSE:**

To set Tuesday, March 31, 2020 as the date for a Public Hearing regarding the declaration of surplus and sale of approximately 4.74 acres of Tacoma Water property for \$125,000.00 to Nash Cascadia Verde LLC.

**BACKGROUND:**

This Department's recommendation is based on a request from the Buyer to purchase the property for improved storm water retention and treatment in conjunction with their development of the Tehaleh master planned community in the Bonney Lake vicinity. As Tacoma Water does not see a need to retain ownership of the tract as ownership entails additional management time and expense, it agreed to the sale, retaining an easement for an access road to support current and future operations of the adjacent Pipeline No. 1 water supply transmission main. The sale is subject to both Public Utility Board and City Council approval. The terms and conditions of the purchase and sale agreement have been reviewed by the City Attorney's Office and approved by Tacoma Water management and Real Property Services.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

As the sale involves an unimproved tract of land in a suburban to semi-rural location in Pierce County, and the buyer, whose property surrounds the sale tract, is the only logical buyer of the property, no further community engagement efforts were identified and no potential impacts are foreseen to the local community.

**2025 STRATEGIC PRIORITIES:****Equity and Accessibility:**

The sale will allow continued development of the Tehaleh master planned community, providing housing, educational, employment, and recreational opportunities in line with state-mandated Growth Management policies. As the sale property lies outside the corporate limits of the City, no Equity Index Scores have been identified.

**ALTERNATIVES:**

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Retain property	None.	Costs for maintenance and liability.



City of Tacoma

City Council Action Memorandum

**EVALUATION AND FOLLOW UP:**

This is a one-time sale with no on-going evaluation required.

**STAFF/SPONSOR RECOMMENDATION:**

None.

**FISCAL IMPACT:**

There is no fiscal impact to setting this Public Hearing.

**Are there financial costs or other impacts of not implementing the legislation?**

No

**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City's FTE/personnel counts?**

No

**ATTACHMENTS:**

None.



TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

Date: February 12, 2020

From: Jackie Flowers, Director of Utilities

To: Dylan Harrison, Senior Real Estate Officer, Real Property Services

Subject: Declaration of Surplus of Tacoma Water Property at Tehaleh

Tacoma Water owns a tract of land identified as a 4.74-acre portion of Pierce County Assessor Tax Parcel Number 0519084009 located adjacent to the Tehaleh Master Planned Community in the Bonney Lake vicinity of unincorporated Pierce County. The tract provides access between portions of Tacoma Water's Pipeline No. 1. Subject to completion of a Boundary Line Adjustment with the abutting TPN 0519093017, following is the Property Legal Description:

A PORTION OF THAT PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA BY DEED DATED MARCH 25, 1933 IN VOLUME 538 PAGES 25-26 (RECORDING NO. 1083485) OF PIERCE COUNTY RECORDS, BEING SITUATED WITHIN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 19 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 9, THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, SOUTH 88° 50' 35" EAST A DISTANCE OF 800.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA, ALSO BEING THE POINT OF BEGINNING;

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL, NORTH 28° 50' 35" WEST A DISTANCE OF 360.56 FEET TO A POINT BEING 75.00 FEET SOUTHERLY OF, WHEN MEASURED PERPENDICULAR THERETO, THE CENTERLINE OF THE CITY OF TACOMA PIPELINE RIGHT-OF-WAY AS RECORDED IN AUDITOR'S FILE NO. 359284 OF PIERCE COUNTY RECORDS;

THENCE ALONG A LINE PARALLEL WITH, AND 75.00 FEET SOUTHERLY OF SAID CENTERLINE THE FOLLOWING TWO COURSES:

THENCE NORTH 73° 56' 42" EAST A DISTANCE OF 463.92 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY ALONG THE ARC OF A 394.48 FOOT RADIUS TANGENT CURVE CONCAVE NORTHWESTERLY THROUGH A CENTRAL ANGLE OF 22° 50' 37", AN ARC DISTANCE OF 157.28 FEET TO THE EASTERLY LINE OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL SOUTH 01° 09' 25" WEST A DISTANCE OF 524.40 FEET TO THE SOUTHEAST CORNER THEREOF;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL, BEING COINCIDENT WITH THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, NORTH 88° 50' 35" WEST A DISTANCE OF 400.00 FEET TO THE POINT OF BEGINNING.

CONTAINS 206,607 SQUARE FEET OR 4.74 ACRES, MORE OR LESS.



Upon review by Tacoma Water management, it has been concluded that there is no foreseeable need for Tacoma Water to retain fee ownership of the property when operational needs can be met by the proposed easement rights to be retained. Therefore, pursuant to City of Tacoma Municipal Code Section 1.06.280, I hereby certify that, subject to the BLA and Easement, this property has no further public use, is surplus to the needs of Tacoma Public Utilities, and that disposing of it would be in the best interests of the City of Tacoma.

APPROVED:

Jackie Flowers  
Jackie Flowers, Director of Utilities

cc: Jennifer Hines, Public Works ADM for Facilities Management/Real Property Services





**Tacoma Water Surplus Property Sale  
to Nash Cascadia Verde LLC  
Location Map and Aerial Photo**



- Approximately 4.74 Acres
- Portion of Pierce County TPN 0519084009
- Portion of Tacoma Water Pipeline No. 1  
Right-of-Way in Bonney Lake vicinity

**Retain Easement to Tacoma Water for current and future operations**

CITY OF TACOMA  
DEPARTMENT OF PUBLIC UTILITIES  
WATER DIVISION  
REAL ESTATE PURCHASE AND SALE AGREEMENT  
AGREEMENT NO. A3206

Reference No.: P2018-020

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

Buyer: Nash Cascadia Verde, LLC  
Abbreviated

Legal Description: Portion of the SW Quarter S09, T19N, R5E, W.M., Pierce Co., WA

County: Pierce

Tax Parcel No.: Portion of Pierce County Assessor TPN 0519084009

This REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of February 13, 2020 between the CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, WATER DIVISION (d.b.a. Tacoma Water) a first class municipal corporation ("Seller"), and Nash Cascadia Verde, LLC, a Delaware limited liability company ("Buyer").

RECITALS

WHEREAS, Seller is the owner of certain real property identified herein as the "Property" as more particularly described in Section 1 below.

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

WHEREAS, Seller owns, operates, and maintains an access and maintenance road on and across the Property in order to operate and maintain water mains and appurtenant equipment for water transmission and/or distribution. Therefore, Seller has requested and Buyer will grant at closing an easement to Seller encumbering the Property allowing Seller ingress and egress, together with the right to maintain, repair and replace the existing access and maintenance road.

WHEREAS, the Property is part of a larger parcel (the "Parent Parcel") owned by Seller and prior to conveyance of the Property to Buyer, Buyer, at its sole cost and expense, shall obtain all approvals necessary to divide the Property from the Parent Parcel so that the Property is suitable for conveyance to Buyer. The Property division may be accomplished by a subdivision, a short plat, a boundary line adjustment, or any other legal method of land segregation.

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

AGREEMENT

1. Real Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the real property located in the County of Pierce and State of Washington, more particularly described as follows, and to be amended by any required division of the Property pursuant to Section 5.5 below:

{See attached legal description Exhibit "A"}

Also known as a portion of Pierce County Assessor Tax Parcel No. 0519084009 (the "Property"). Buyer will, prior to Closing (defined below) as more specifically described in Section 5.5, obtain all

approvals necessary to divide the Property from the Parent Parcel so that the Property can be conveyed to Buyer at Closing.

2. Deposit. Upon execution of this Agreement by both Seller and Buyer, Buyer shall establish an escrow with Tamara Tissue, Escrow Closer (Email: Tamara.Tissue@fnf.com) ("Escrow Agent"), of Fidelity National Title, 2913 5th Ave NE, Suite 102, Puyallup, Washington 98372, and deliver to Escrow Agent **ONE HUNDRED AND TWENTY-FIVE THOUSAND and No/100 U.S. Dollars (\$125,000.00)** (the full purchase price of the Property) to be held in escrow, of which **SIX THOUSAND TWO HUNDRED AND FIFTY and No/100 U.S. Dollars (\$6,250.00)** shall be held as the earnest money deposit (the "Deposit") pursuant to the terms of this Agreement. Buyer shall pay all escrow costs, charges, and fees.

3. Purchase Price. The total purchase price for the Property (the "Purchase Price") will be **ONE HUNDRED AND TWENTY-FIVE THOUSAND and No/100 U.S. Dollars (\$125,000.00)**, which shall be deposited with Escrow Agent as provided in Section 2. The Purchase Price will be paid to Seller in cash at Closing.

4. Title to Property.

4.1 Preliminary Commitment and Title Policy. Buyer has obtained and reviewed a title commitment from First American Title Insurance Company, 7502 Lakewood Drive West, Ste A, Lakewood, Washington 98499 ("Title Company"). Exceptions 2 through 8, inclusive, and 13 and 14 have been approved by Buyer and, together with any exceptions caused by Buyer or its agents or employees or agreed to by Buyer in writing, shall be the "Permitted Exceptions." Exception 9 is also acceptable, provided that it reflects the year of closing and taxes are prorated as provided in Section 8. It is anticipated that Exceptions 10 and 11 will be resolved in connection with the property division completed under Section 5.6.

4.2 Conveyance. At Closing, Seller shall convey to Buyer fee simple title to the Property by a duly executed and acknowledged quit claim deed (the "Deed") substantially in the form of Exhibit "B" attached hereto and by this reference incorporated herein, subject only to the Permitted Exceptions. Further, at Closing, Buyer shall convey to Seller perpetual easement rights over, under, along and across the Property allowing Seller ingress and egress, together with the right to maintain, repair, and replace its access and maintenance road (the "Easement") by delivering to Seller an easement agreement substantially in the form of Exhibit "C" attached hereto and by this reference incorporated herein.

5. Conditions to Closing. The satisfaction of each of the following at or before Closing shall be conditions of Closing:

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

5.2 Buyer's Indemnification. Buyer agrees to assume all liability for and to defend, indemnify and save Seller harmless from all liability and expense (including reasonable costs and attorneys' fees) in connection with all claims, suits and



actions of every name, kind and description brought against Seller or its agents or employees by any person or entity as a result of or on account of injuries or damages to persons, entities and/or property received or sustained, arising out of, in connection with, or as a result of the acts or omissions of Buyer, or its agents or employees in exercising its rights under this Agreement, except for claims caused by Seller's sole negligence.

- 5.3 Buyer Feasibility Study. Buyer hereby waives the right to conduct inspections or feasibility studies related to the Property and will take title to the Property on an as-is basis.
- 5.4 Non-Suitability. Buyer hereby waives the right to terminate this Agreement if, in Buyer's good faith judgment, the Property is not suitable for Buyer's intended use. However, in the event Buyer does not complete the purchase, Buyer shall promptly repair any damage to the Property caused by or resulting from the activities of Buyer or its agents or employees, returning the Property as near as is practicable to its original condition.
- 5.5 Property Division Review and Approval. Prior to and as a condition to Closing, Buyer, at its sole cost and expense, and subject to the review and approval of Seller, shall obtain all approvals necessary to divide the Property and establish the Property as a legal lot suitable for conveyance to Buyer, documentation of which shall be provided to Seller. Seller shall reasonably cooperate with Buyer, at no cost to Seller, in obtaining the approvals necessary to divide the Property; provided, however, that while any division dependent on transferring the Property to Buyer may be authorized prior to Closing, the transfer shall not be completed prior to Closing. So, by way of example for avoidance of doubt, a boundary line adjustment may be authorized prior to Closing, but the deed transferring the Property from the Parent Parcel owned by Seller to the receiving parcel owned by Buyer shall not be recorded prior to Closing. If, notwithstanding Buyer's good faith efforts, Buyer is unable to obtain the approvals necessary to divide the Property on or before the Closing Date set forth in Section 7, the parties shall negotiate in good faith to extend the Closing Date for an additional period to allow Buyer to obtain the approvals; however, Seller shall not be required to agree to any extension of more than sixty (60) additional days. If Buyer is unable to obtain the approvals necessary to divide the Property on or before the Closing Date, as it may be so extended, then either party may terminate the sale by giving written notice of termination to the other and Escrow Agent, whereupon Escrow Agent shall deliver the Deposit due Seller under Section 11 of this Agreement to Seller and the remainder of the Purchase Price to Buyer.
- 5.6 Title Insurance. At Closing, as a Buyer condition of Closing and solely at the expense of Buyer and except as provided in Section 8 below, Title Company shall be prepared to furnish Buyer with a standard owner's title insurance policy for the Property in the amount of the Purchase Price insuring title to be vested in Buyer free and clear of all liens and encumbrances except the usual pre-printed exceptions, the Permitted Exceptions, and non-delinquent real property taxes and assessments.

6. Condition of the Property.

- 6.1 "As Is." Per Section 5.3 Buyer has waived the right to conduct inspections and feasibility studies; nevertheless, Buyer acknowledges that Buyer is purchasing and shall acquire the Property under this Agreement in its physical condition existing at Closing, "AS-IS, "WHERE IS" AND WITH ALL FAULTS, INCLUDING, WITHOUT LIMITATIONS, THE CONDITION OR STABILITY OF THE SOILS OR GROUND WATERS, THE PRESENCE



OR ABSENCE OF HAZARDOUS MATERIALS ON OR UNDER THE PROPERTY, SUITABILITY FOR ANY CONSTRUCTION OR DEVELOPMENT, ZONING AND SIMILAR MATTERS. As of the date this Agreement is signed by the parties, Seller has made no representations or warranties, express or implied, regarding the Property, excluding those representations and warranties expressly provided in this Agreement. Seller shall surrender the Property in as good condition, except for normal wear and tear, as exists on the date of this Agreement. Seller agrees that it will not damage nor commit waste on the Property between the date of acceptance of this Agreement and Closing.

6.2 Release. Except with respect to Seller's representations and warranties expressly provided in this Agreement, Buyer releases Seller and its directors, officers, employees, and agents from any and all statutory, common law, and other claims, obligations, causes of action, losses, damages, liabilities, costs and expenses (including without limitation attorney fees), unknown to Seller, that Buyer may have against Seller arising from, in whole or in part, or related in any way to the physical condition of the Property (including conditions not readily apparent and the presence of any material classified under state or federal law or regulations as hazardous).

6.3 Inspections. Buyer agrees that it will rely on its own inspections and evaluations of the Property, with the exception of written documentation, including, but not limited to any disclosures required by law, provided to it by Seller, to determine the suitability of the Property for Buyer's intended use.

7. Closing. This transaction will be closed in escrow with Escrow Agent. Closing will be held at the office of Escrow Agent on or before Apr. 10, 2020 (the "Closing Date"). In the event Buyer fails, without legal excuse to complete the purchase of the Property on or before the Closing Date, or any later date mutually agreed to in writing by Seller and Buyer, Seller may terminate the sale by giving written notice of termination to Buyer and Escrow Agent, whereupon Escrow Agent shall deliver the Deposit due Seller under Section 11 of this Agreement to Seller and the remainder of the Purchase Price to Buyer. Prior to Closing, the parties shall each deposit with Escrow Agent without delay all instruments and monies required from them to complete the transaction in accordance with this Agreement. "Closing," for the purpose of this Agreement, is defined as the date that all documents are executed and recorded, the sale proceeds are available for disbursement to Seller, and legal title passes to Buyer.

8. Closing Costs and Proration. Seller shall pay state of Washington real estate excise taxes, if any, applicable to the sale. Buyer shall pay the cost of recording the Deed and Easement. Property taxes and assessments for the current year, water and other utility charges, if any, shall be prorated as of the Closing Date unless otherwise agreed. Seller is a property tax exempt organization pursuant to R.C.W. 84.36.010, and therefore property taxes will only be due from Buyer for its ownership from and after the Closing Date. Buyer shall pay the cost of Buyer's title policy, including any endorsements to the title policy but excluding any endorsement that Seller agrees in writing to provide to cure a disapproved title exception, which shall be at Seller expense. Escrow fees shall be paid by Buyer.

9. Casualty Loss. Seller shall promptly notify Buyer of any event prior to the Closing Date which causes damage to or destruction of any portion of the Property. If Buyer and Seller cannot come to an agreement regarding any such damage to or destruction of the Property, including the settlement of any insurance claims, then Buyer and Seller will each have the right to terminate this Agreement by giving written notice of termination to the other party within twenty (20) days after receipt of actual notice of such casualty loss. Upon exercise of such termination election by either party, this Agreement will terminate, and the Purchase Price (including the Deposit) will be returned to Buyer.

10. Possession. Seller shall deliver possession of the Property to Buyer upon Closing. Seller shall remove any and all personal property from the Property on or before Closing, unless any items are specifically authorized to remain in writing by Buyer.

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

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

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

Buyer: NASH Cascadia Verde, LLC  
505 South 336<sup>th</sup> Street, Suite 430  
Federal Way, Washington 98003  
Attn: Scott Jones  
Fax No.: (253) 275-3362

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

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

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

15. Professional Advice. Seller and the Buyer hereby acknowledge that it may be advisable for either or both parties to obtain independent legal, tax or other professional advice in connection with this transaction, as the terms and conditions of this Agreement affect the parties' rights and obligations. The parties agree that they have satisfied themselves that they understand the terms and conditions of this sale and have accepted full responsibility to seek such professional advice as they deem necessary.

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

17. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of Closing, will be deemed to be material, and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title for a period of 6 (six) months whereupon they shall terminate. Such representations and warranties, however, are not assignable and do not run with the land, except as may be expressly provided herein or contained in a written instrument signed by the party to be charged.
18. Governing Law. This Agreement will be governed and construed in accordance with the laws of the state of Washington.
19. Attorney Fees. If either party fails to perform any of its obligations under this Agreement or if a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in the dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under this Agreement, including without limitation, court costs and reasonable attorney fees incurred in connection with any federal, state or bankruptcy proceeding.
20. Time of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.
21. FIRPTA. Seller will prepare a certification or equivalent that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA"), and Seller agrees to sign this certification. If Seller is a "foreign person" as the same is defined by FIRPTA, and this transaction is not otherwise exempt from FIRPTA, Seller will withhold and pay the required amount to the Internal Revenue Service.
22. Waiver. Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.
23. Nonmerger. The terms and provisions of this Agreement, including without limitation, all indemnification obligations, will not merge in, but will survive the Closing of the transaction contemplated under this Agreement.
24. Assignment. Buyer shall not assign this Agreement without Seller's prior written consent, which consent may not be unreasonably withheld or delayed.
25. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.
26. Additional Acts. Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by any party hereto, the parties agree to perform, execute and/or deliver, or cause to be performed, executed and/or delivered, any and all such further acts, deeds and assurances, which may reasonably be required to give effect to the Agreement contemplated herein.
27. Survival. Any terms, conditions, or provisions of this Agreement which by their nature should survive shall survive the Closing of the sale.
28. Waiver of RCW 64.06 Disclosure. Buyer and Seller acknowledge that the Property may constitute "Commercial Real Estate" or "Residential Real Property" as defined in RCW 64.06.005. Buyer waives receipt of the seller disclosure statement required under RCW 64.06 for transactions

Involving the sale of such real property, except for the section entitled "Environmental." The Environmental section of the seller disclosure statement (the "Disclosure Statement") shall be provided to Buyer within five business days after acceptance of this Agreement. Buyer shall within three business days thereafter either deliver written notice to Seller to rescind the Agreement, else the Disclosure Statement will be deemed approved and accepted by Buyer. If Buyer rescinds this Agreement, the Purchase Price (including the Deposit, but less any costs advanced or committed for Buyer as authorized herein, or other costs subsequently agreed to in writing) will be returned immediately to Buyer, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement.

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

**{Remainder of Page Intentionally Left Blank}**



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

SELLER:

TACOMA WATER

Jackie Flowers 2/13/2020  
Jackie Flowers, Date  
Director of Utilities

Scott Dewhirst 2/13/2020  
Scott Dewhirst, Date  
Water Superintendent

Approved as to form:

Michael W. Smith 2/11/2020  
Michael W. Smith, Date  
Deputy City Attorney

City of Tacoma Review

Greg Volkhardt 2/12/2020  
Greg Volkhardt, Date  
Assistant Division Manager for Watershed  
and Environmental Programs

Jodi Collins 2/12/2020  
Jodi Collins, Date  
Financial Manager

Jeff Singleton Date  
Tacoma Power Chief Surveyor

FINANCE:

Andrew Cherullo 2/13/2020  
Andrew Cherullo, Date  
Director of Finance

BUYER:

NASH CASCADIA VERDE LLC

[Signature] 2-10-2020  
Signature Date

Scott Jones, Authorized Signatory  
Name and Title

ES LV

EXHIBIT "A"

**City of Tacoma - Department of Public Utilities**  
**Water Division Agreement No. A3206**

**Southwest Quarter (SW¼) of Section 9, Township 19 North, Range 5 East,  
W.M., in Pierce County, WA**

A PORTION OF THAT PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA BY DEED DATED MARCH 25, 1933 IN VOLUME 538 PAGES 23-28 (RECORDING NO. 1083483) OF PIERCE COUNTY RECORDS, BEING SITUATED WITHIN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 29 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 9, THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, SOUTH 88° 30' 35" EAST A DISTANCE OF 800.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA, ALSO BEING THE POINT OF BEGINNING:

TRENCH ALONG THE WESTERLY LINE OF SAID PARCEL, NORTH 28° 50' 35" WEST A DISTANCE OF 350.56 FEET TO A POINT BEING 75.00 FEET SOUTHERLY OF, WHEN MEASURED PERPENDICULAR THERETO, THE CENTERLINE OF THE CITY OF TACOMA PIPELINE RIGHT-OF-WAY AS RECORDED IN AUDITOR'S FILE NO. 339284 OF PIERCE COUNTY RECORDS;

THENCE ALONG A LINE PARALLEL WITH, AND 75.00 FEET SOUTHERLY OF SAID CENTERLINE THE FOLLOWING TWO COURSES:

THENCE NORTH 73° 56' 42" EAST A DISTANCE OF 463.92 FEET TO A POINT OF CURVATURE:

THENCE NORTHEASTERLY ALONG THE ARC OF A 394.48 FOOT RADIUS TANGENT CURVE CONCAVE NORTH WESTERLY THROUGH A CENTRAL ANGLE OF 22° 50' 37", AN ARC DISTANCE OF 157.30 FEET TO THE EASTERLY LINE OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL SOUTH 01° 09' 25" WEST A DISTANCE OF 524.40 FEET TO THE SOUTHEAST CORNER THEREOF;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL, BEING COINCIDENT WITH THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, NORTH 88° 50' 35" WEST A DISTANCE OF 400.00 FEET TO THE POINT OF BEGINNING.

CONTAINS 206,607 SQUARE FEET OR 4.74 ACRES, MORE OR LESS.



Reference No.  
P2018-020 GWM

## Exhibit A



## **EXHIBIT "B"**

WHEN RECORDED RETURN TO:  
Tacoma Public Utilities  
Real Property Services  
PO Box 11007, Tacoma, WA 98411

**CITY OF TACOMA  
DEPARTMENT OF PUBLIC UTILITIES  
QUIT CLAIM DEED NO. 6767**

Reference No.	P2018-020
Grantor:	City of Tacoma, Department of Public Utilities, Water Division (d.b.a. Tacoma Water)
Grantee:	Nash Cascadia Verde, LLC
Abbr. Legal Description:	Portion of the SW Quarter of Section 9, Township 19 North, Range 5 East, W.M., in Pierce County, WA.
Complete Description:	Exhibit A
Tax Parcel No:	Portion of 0519084009

The Grantor, CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, WATER DIVISION (d.b.a. Tacoma Water), a first class municipal corporation, for and in consideration of ONE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$125,000.00) hereby conveys and quit claims to Nash Cascadia Verde, LLC, a Delaware limited liability company, as Grantee, all its interest in the following described real property situate in Pierce County, State of Washington, to-wit:

As legally described in Exhibit "A" attached hereto and by this reference made a part hereof.

Authorized by City Council Resolution No. \_\_\_\_\_ adopted \_\_\_\_\_, 20\_\_\_\_,  
at the request of Public Utility Board Resolution No. U- \_\_\_\_\_ adopted  
\_\_\_\_\_, 20\_\_\_\_.

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by  
its proper officers this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF TACOMA

By: \_\_\_\_\_  
Mayor

Attest:

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

**Accepted by Grantee**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

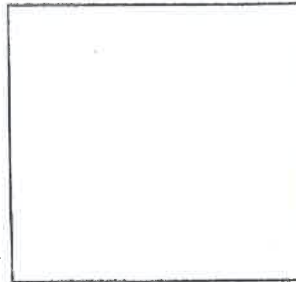
P2018-020/D6767

STATE OF WASHINGTON )  
 )  
COUNTY OF PIERCE )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me personally appeared Victoria Woodards, to me known to be the Mayor of the City of Tacoma, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of the City of Tacoma, for the uses and purposes herein mentioned, and on oath stated that she was authorized to execute said instrument and that the seal affixed is the corporate seal of the City of Tacoma.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Place Notary Seal in Box



\_\_\_\_\_  
Notary Public in and for the State  
of Washington  
Residing in \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

P2018-020/D6767

**CITY OF TACOMA, DEPT. OF PUBLIC UTILITIES**

**APPROVED:**

\_\_\_\_\_  
Jackie Flowers,                      Date  
Director of Utilities

**AUTHORIZED:**

\_\_\_\_\_  
Scott Dewhirst,                      Date  
Water Superintendent

**REVIEWED:**

\_\_\_\_\_  
Greg Volkhardt,                      Date  
Water Quality Assistant Division Manager

\_\_\_\_\_  
Jeff Singleton,                      Date  
Tacoma Power Chief Surveyor

\_\_\_\_\_  
Andrew Cherullo,                      Date  
Director of Finance

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Michael W. Smith,                      Date  
Deputy City Attorney

**City of Tacoma - Department of Public Utilities  
Water Division Deed No. 6767**

**Southwest Quarter (SW¼) of Section 9, Township 19 North, Range 5 East,  
W.M., in Pierce County, WA**

A PORTION OF THAT PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA BY DEED DATED MARCH 25, 1933 IN VOLUME 538 PAGES 25-26 (RECORDING NO. 1083485) OF PIERCE COUNTY RECORDS, BEING SITUATED WITHIN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 19 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 9, THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, SOUTH 82° 50' 35" EAST A DISTANCE OF 100.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA, ALSO BEING THE POINT OF BEGINNING;

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL, NORTH 28° 50' 35" WEST A DISTANCE OF 360.56 FEET TO A POINT BEING 75.00 FEET SOUTHERLY OF, WHEN MEASURED PERPENDICULAR THERETO, THE CENTERLINE OF THE CITY OF TACOMA PIPELINE RIGHT-OF-WAY AS RECORDED IN AUDITOR'S FILE NO. 359284 OF PIERCE COUNTY RECORDS;

THENCE ALONG A LINE PARALLEL WITH, AND 75.00 FEET SOUTHERLY OF SAID CENTERLINE THE FOLLOWING TWO COURSES:

THENCE NORTH 73° 56' 42" EAST A DISTANCE OF 463.92 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY ALONG THE ARC OF A 394.48 FOOT RADIUS TANGENT CURVE CONCAVE NORTHWESTERLY THROUGH A CENTRAL ANGLE OF 23° 50' 37", AN ARC DISTANCE OF 157.28 FEET TO THE EASTERLY LINE OF SAID PARCEL OF LAND CONVEYED TO THE CITY OF TACOMA;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL SOUTH 01° 09' 25" WEST A DISTANCE OF 524.40 FEET TO THE SOUTHEAST CORNER THEREOF;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL, BEING COINCIDENT WITH THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, NORTH 82° 50' 35" WEST A DISTANCE OF 100.00 FEET TO THE POINT OF BEGINNING.

CONTAINS 206,807 SQUARE FEET OR 4.74 ACRES, MORE OR LESS.



Reference No.  
P2018-020 GWM

**Exhibit A**

## **Exhibit "C"**

WHEN RECORDED RETURN TO:  
Tacoma Public Utilities  
Real Property Services  
PO Box 11007, Tacoma, WA 98411

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**CITY OF TACOMA**  
**DEPARTMENT OF PUBLIC UTILITIES**  
**EASEMENT NO. 2712**  
**AND**  
**RELEASE OF EASEMENT NO. 96**

Reference No.	P2018-020
Grantor:	Nash Cascadia Verde, LLC
Grantee:	City of Tacoma, Department of Public Utilities, Water Division (d.b.a. Tacoma Water)
Abbr. Legal Description:	Portion of the SW Quarter of Section 9 and the NW Quarter of Section 16, all within Township 19 North, Range 5 East, W.M., in Pierce County, WA.
Complete Description:	Exhibit A
Tax Parcel No:	0519084009 and 0519093017
Replaces:	This document supersedes and replaces Easement recorded under Pierce County Auditor's File No. 1073073 (City of Tacoma, Department of Public Utilities, Water Division Easement No. 96), which is terminated by this document.

The undersigned Nash Cascadia Verde, LLC, a Delaware limited liability company, organized and existing under the laws of the State of Delaware, record owner of the Premises hereinafter described, hereinafter referred to as "Grantor," by and through Scott Jones, its Authorized Signatory, for good and valuable consideration from the City of Tacoma, Department of Public Utilities, Water Division (d.b.a. Tacoma Water), hereinafter referred to as "Tacoma Water" and/or "Grantee," the receipt of which is hereby acknowledged, does hereby grant unto said Tacoma Water, its successors and assigns, the



right and privilege of ingress and egress, together with the right to maintain, repair and replace the existing access and maintenance road (the "Road" and such purposes, collectively, the "Easement Purposes"), along and across the following real property situate and being in the County of Pierce and State of Washington, described as follows, to-wit:

As described in Exhibit "A" and depicted in Exhibit "B" attached hereto and by this reference incorporated herein.

Situate in the County of Pierce, State of Washington.

Together with the right to trim and keep trimmed all vegetation located upon the tract of land above described within 30 feet on either side of the centerline of the Road.

Except as provided below, the Grantor and the Grantee are each solely responsible for the costs of construction and maintenance of their respective improvements. It is further agreed that the Grantor and its successors shall not construct any new permanent structures within the easement area that unduly interferes with the Easement Purposes without the prior written consent of Grantee, which shall not be unreasonably withheld or conditioned. However, if the Grantor does construct any permanent structure within the easement area without the prior written consent of Grantee, the Grantee may at any time remove or cause the removal of such structures at the Grantor's cost. In addition, the Grantee is not responsible for damaging the Grantor's structures constructed within the easement area without the prior written consent of Grantee.

The Grantor shall at all times provide access to Tacoma Water staff and its contractors to repair, renew or remove the Road. The Grantor herein further grants to Tacoma Water, its contractors and/or agents, the right to hereafter temporarily enter upon the Grantor's adjoining lands where reasonably necessary in connection with the maintenance or replacement of the Road within the easement area.

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P2018-020 GWM / E2712

IN WITNESS WHEREOF, I have executed this Instrument at \_\_\_\_\_ County,  
Washington, on behalf of Nash Cascadia Verde, LLC, said company having caused its  
company name to be hereunto subscribed and these presents to be executed by its  
Authorized Signatory thereunto duly authorized, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Nash Cascadia Verde, LLC

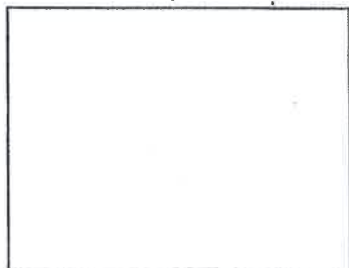
By: \_\_\_\_\_  
Scott Jones, its Authorized Signatory

STATE OF WASHINGTON       )  
  ) §  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me personally appeared Scott  
Jones, to me known to be the Authorized Signatory of Nash Cascadia Verde, LLC, the  
company that executed the within and foregoing instrument, and acknowledged said  
instrument to be the free and voluntary act and deed of said company, for the uses and  
purposes therein mentioned, and on oath stated that he was authorized to execute said  
instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day  
and year first above written.

Place Notary Seal In Box



\_\_\_\_\_  
Notary Public In and for the State  
of Washington  
Residing In \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

P2018-020 GWM / E2712

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

**Accepted:**

\_\_\_\_\_  
Scott Dewhirst, Date  
Water Superintendent

**Reviewed:**

\_\_\_\_\_  
Greg Volkhardt, Date  
Water Quality Assistant Division Manager

\_\_\_\_\_  
Jeff Singleton, Date  
Tacoma Power Chief Surveyor

**Form Approved:**

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Michael W. Smith, Date  
Deputy City Attorney

**City of Tacoma - Department of Public Utilities  
Water Division Easement No. 2712**

Southwest Quarter (SW¼) of Section 9 and Northwest Quarter (NW¼) of Section 16,  
Township 19 North, Range 5 East, W.M.,  
In Pierce County, Washington

A 60.00 FOOT WIDE STRIP OF LAND LYING WITHIN THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 16, ALL IN TOWNSHIP 19 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON, BEING 30.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE;

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 9, BEING MARKED BY A FOUND 2.5 INCH BRASS DISK MARKED "S8, S9, S16, S17" "T19N, R5E, 1962";

THENCE ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9, NORTH 02° 17' 54" EAST A DISTANCE OF 218.33 FEET TO THE CENTERLINE OF THE CITY OF TACOMA PIPELINE RIGHT-OF-WAY AS RECORDED IN AUDITOR'S FILE NO. 859284 OF PIERCE COUNTY RECORDS, ALSO BEING A POINT OF NON TANGENT CURVATURE;

THENCE ALONG SAID CENTERLINE THE FOLLOWING TWO COURSES;

THENCE NORTHEASTERLY ALONG THE ARC OF A 574.12 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 14° 06' 55", AN ARC DISTANCE OF 141.44 FEET, THE RADIUS POINT OF WHICH BEARS NORTH 01° 56' 23" WEST;

THENCE NORTH 73° 56' 42" EAST A DISTANCE OF 588.24 FEET;

THENCE DEPARTING SAID CENTERLINE, SOUTH 16° 03' 18" EAST A DISTANCE OF 75.00 FEET TO A POINT BEING 75.00 FEET SOUTHERLY OF, WHEN MEASURED PERPENDICULAR THERETO, THE CENTERLINE OF SAID CITY OF TACOMA PIPELINE RIGHT-OF-WAY, ALSO BEING A POINT OF NON TANGENT CURVATURE AND THE TRUE POINT OF BEGINNING;

THENCE SOUTHEASTERLY ALONG THE ARC OF A 170.00 FOOT RADIUS NON TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 81° 59' 18", AN ARC DISTANCE OF 94.91 FEET, THE RADIUS POINT OF WHICH BEARS SOUTH 27° 13' 56" WEST;

THENCE SOUTH 30° 46' 46" EAST A DISTANCE OF 234.21 FEET TO A POINT OF CURVATURE;

THENCE SOUTHEASTERLY ALONG THE ARC OF A 300.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 17° 30' 19", AN ARC DISTANCE OF 91.88 FEET;

THENCE SOUTH 13° 16' 27" EAST A DISTANCE OF 103.16 FEET TO A POINT OF CURVATURE;

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**Exhibit A**

**City of Tacoma - Department of Public Utilities  
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Southwest Quarter (SW¼) of Section 9 and Northwest Quarter (NW¼) of Section 16,  
Township 19 North, Range 5 East, W.M.,  
In Pierce County, Washington

THENCE EASTERLY ALONG THE ARC OF A 37.00 FOOT RADIUS TANGENT CURVE TO THE LEFT,  
THROUGH A CENTRAL ANGLE OF 178° 30' 52", AN ARC DISTANCE OF 113.25 FEET;

THENCE NORTH 11° 47' 19" WEST A DISTANCE OF 100.25 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY ALONG THE ARC OF A 150.00 FOOT RADIUS TANGENT CURVE TO THE  
RIGHT, THROUGH A CENTRAL ANGLE OF 23° 38' 58", AN ARC DISTANCE OF 61.91 FEET;

THENCE NORTH 11° 51' 39" EAST A DISTANCE OF 37.13 FEET TO A POINT OF CURVATURE;

THENCE NORTHERLY ALONG THE ARC OF A 200.00 FOOT RADIUS TANGENT CURVE TO THE LEFT,  
THROUGH A CENTRAL ANGLE OF 20° 42' 15", AN ARC DISTANCE OF 72.27 FEET;

THENCE NORTH 08° 50' 36" WEST A DISTANCE OF 136.41 FEET TO A POINT OF CURVATURE;

THENCE NORTHERLY ALONG THE ARC OF A 200.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT,  
THROUGH A CENTRAL ANGLE OF 14° 14' 33", AN ARC DISTANCE OF 49.72 FEET;

THENCE NORTH 05° 23' 57" EAST A DISTANCE OF 41.97 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY ALONG THE ARC OF A 100.00 FOOT RADIUS TANGENT CURVE TO THE  
RIGHT, THROUGH A CENTRAL ANGLE OF 14° 50' 19", AN ARC DISTANCE OF 25.90 FEET TO THE  
TERMINUS OF SAID CENTERLINE.

THE SIDE LINES OF SAID STRIP TO BE SHORTENED OR LENGTHENED TO TERMINATE AT A LINE  
PARALLEL WITH, AND 75.00 FEET SOUTHERLY OF THE CENTERLINE OF SAID CITY OF TACOMA  
PIPELINE RIGHT-OF-WAY.



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**Exhibit A**

