



RESOLUTION NO. U-11310

1 A RESOLUTION related to the purchase of materials, supplies, equipment and
2 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 or proposals for the purchase of certain materials, supplies, equipment 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 a purchasing cooperative, or for the sales of surplus, or desires to increase or
11 extend an existing agreement, all as explained by the attached Exhibit "A,"
12 which by this reference is incorporated herein, and

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

16 WHEREAS the Board of Contracts and Awards or the requesting division
17 have heretofore made their recommendations, which may include waiver of the
18 formal competitive bid process because it was not practicable to follow said
19 process, or because the purchase is from a single source, or there is an
20 emergency that requires such waiver, or because a directly negotiated contract
21 was determined to be in the best interest of the City, or waiver of minor
22 deviations, and in the case of sale of surplus, a declaration of surplus has been
23 made certifying that said items are no longer essential for continued effective
24 utility service, as explained in Exhibit "A," Now, therefore,
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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 or the requesting division, and approves, as appropriate: (1) the purchase 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 purchase from a cooperative or another governmental entity contract; and (4) the increase or extension of an existing agreement, and said matters may include waiver of the formal competitive bid process 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.

Approved as to form:

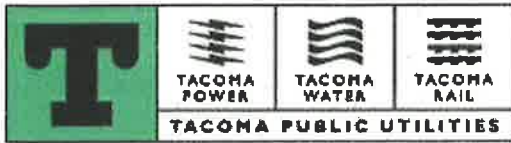
/s/
Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____



RESOLUTION NO.: U-11310
ITEM NO.: 1
MEETING DATE: **MARCH 23, 2022**

TO: Board of Contracts and Awards
FROM: Clay Norris, Section Manager, Power Management
Lonnie Junderson, Conservation Program Manager, Power Management
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Seth Hartz, Finance/Purchasing
SUBJECT: Residential Conservation Behavior Program
Request for Proposals Specification No. PE21-0039F, Contract No. CW2245288
– March 23, 2022
DATE: March 7, 2022

RECOMMENDATION SUMMARY:

The Power Management Division recommends a contract be awarded to Bidgely, Inc., Mountain View, CA, in the amount of \$1,381,066, plus applicable taxes, budgeted from the Power Conservation Residential Programs Fund, for an initial contract term of April 1, 2022 through March 31, 2026 with the option to renew for two additional one-year renewals, for a projected contract amount of \$2,459,891.47, plus applicable taxes, for the implementation of a residential home energy report program.

STRATEGIC POLICY PRIORITY:

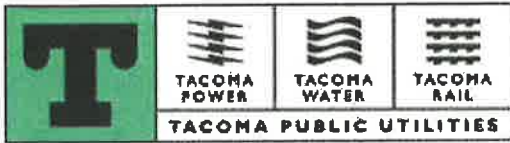
- Assure outstanding stewardship of the natural and built environment.

BACKGROUND:

Customer Energy Programs (CEP) plans to implement a new behavior-based energy conservation program in order to achieve Power Management conservation targets, identified in the 2022 Conservation Potential Assessment and in accordance with the Washington Energy Independence Act (EIA). This program constitutes a new approach to residential conservation in that it will be based solely on tracking customer energy savings data by motivating customer behaviors to save energy and offering usage data-based feedback with energy education to customers. The central tool used in the program will be individualized home energy reports sent to residential customers in paper form at least quarterly. The program will rely on an outside vendor to deliver normative comparisons of household energy consumption with tips and strategies to reduce energy use as well as promote other CEP programs.

ISSUE: Behavior based energy savings is included in Tacoma Power's Conservation Potential Assessment (CPA) as a cost-effective energy conservation measure. Tacoma Power is required by the EIA to accomplish energy savings targets provided by the CPA. Due to the scale of this program (10,800 MWh for the 2022-23 compliance period alone), it is unlikely that Tacoma Power could cost effectively cover this measure through other methods.

ALTERNATIVES: Without implementation of this program, CEP would likely fail to meet the energy savings obligations under the EIA resulting in fines. These fines are currently set at \$66.63/MWh. The estimated fines for the 2022-23 compliance period alone could be up to \$719,604. Beyond the quantifiable financial impacts documented above, there is a massive impact to public relations for the Tacoma Public Utilities in not meeting its conservation obligations under Washington State Law. RCW 19.285.060 includes a requirement to notify the City's customers, in published form, the size of the penalty incurred and the reason it was



incurred. To date, none of the current 13 Washington EIA utilities, including Tacoma Power, have failed to meet the EIA energy savings requirements.

COMPETITIVE SOLICITATION:

Request for Proposals (RFP) Specification No. PE21-0039F was opened June 11, 2021. Five Bonneville Power Administration Energy Efficiency program approved vendors were invited to bid in addition to normal advertising of the project. Three submittals were received. After a thorough RFP review and interview process by the Selection Advisory Committee, Bidgely, Inc. of Mountain View, CA, was selected as the highest scoring proposal. Out of the three submittals, Bidgely, Inc. was the second lowest cost option. This vendor was selected above the lowest cost proposal as this vendor provided more valuable customer engagement tools, demonstrated better integration options into the City’s existing data structures, documented more flexibility on customer messaging, and made the best case for customer experience capabilities with the City’s new advanced meters.

| <u>Respondent</u> | <u>Location</u> | <u>Score</u> |
|----------------------|--------------------------|--------------|
| Bidgely, Inc. | Mountain View, CA | 78 |
| Uplight, Inc. | Boulder, CO | 71 |
| Oracle America, Inc. | Redwood Shores, CA | 69 |

Pre-bid Estimate: \$2,485,000
 The recommended award is one percent below the pre-bid estimate.

CONTRACT HISTORY: New contract

SUSTAINABILITY: Not Applicable

EIC/LEAP COMPLIANCE: Not Applicable

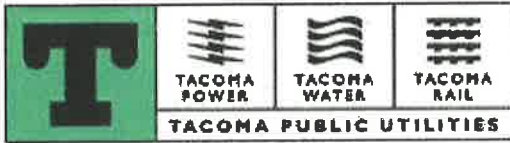
FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|----------------------------|--------------|-----------------------------|
| 4700 Power | PWR-01062-11-02 | Various | \$2,459,891.47 |
| TOTAL | | | Up to \$2,459,891.47 |

REVENUES:

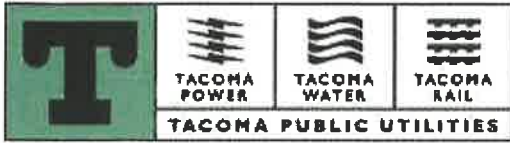
| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------|----------------------------|--------------|--------------|
| | | | |
| TOTAL | | | |



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$384,900

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes, covered through CEP Residential funds, Cost Center 562400.

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



RESOLUTION NO.: U-11310
ITEM NO.: 2
MEETING DATE: MARCH 23, 2022

TO: Board of Contracts and Awards
FROM: Chris Mattson, Generation Manager, Tacoma Power/Generation
Jason Henry, Power Engineer II, Tacoma Power/Generation
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Doreen Klaaskate, Finance/Purchasing
SUBJECT: Mayfield Water System Replacement and Road Realignment (Rebid)
Request for Bids Specification No. PG21-0758F, March 23, 2022
DATE: March 3, 2022

RECOMMENDATION SUMMARY:

Tacoma Power recommends a contract be awarded to Northwest Cascade Inc, Puyallup, WA, in the amount of \$2,685,420, plus applicable taxes, for the Mayfield Water System Replacement and Road Realignment (Rebid).

STRATEGIC POLICY PRIORITY:

- Strategic Directive 7 – Reliability and Resiliency.

BACKGROUND:

Tacoma Power is replacing the aged, deteriorated domestic water system at the Mayfield hydroelectric complex, as well as, some road realignment for portions that have eroded, sloughed away and received numerous emergency repairs throughout the years.

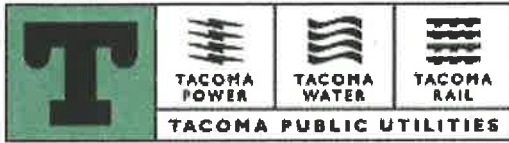
ISSUE: The existing domestic water system is past its life expectancy and not completely compliant with latest codes and regulations. The replacement of the domestic water system will bring the Mayfield hydroelectric complex into code compliance with installation of new fire hydrants, add service capacity, eliminate many existing water leaks in the system and ultimately give the domestic water system a new life expectancy for several more decades to come.

ALTERNATIVES: The alternative would mean the Tacoma Power Mayfield staff would continue to perform emergency repairs as needed, withstand limited water service, service outages and shutdowns, as well as continue to sporadically receive negative samples from regular water purity testing, potentially due to the leaky, aged and antiquated domestic water system.

COMPETITIVE SOLICITATION:

Requests for Bids Specification No. PG21-0758F was opened February 22, 2022. Twenty four (24) companies were invited to bid in addition to normal advertising of the project. Four (4) submittals were received.

Northwest Cascade Inc submitted a bid that resulted in the lowest evaluated submittal after consideration of Equity in Contracting (EIC) requirements.



| <u>Respondent</u> | <u>Location</u> | <u>Submittal Amount</u> |
|-------------------------|-----------------|-------------------------|
| Northwest Cascade Inc | Puyallup, WA | \$ 2,685,420 |
| Ceccanti Inc | Tacoma, WA | \$ 2,765,860* |
| Active Construction Inc | Puyallup, WA | \$ 2,804,288.50 |
| Quigg Bros Inc | Aberdeen, WA | \$ 3,338,890 |

Ceccanti Inc was deemed non-responsible for failing to meet EIC requirements.*

Pre-bid Estimate: \$2,200,000

The recommended award is 22 percent above the pre-bid estimate.

CONTRACT HISTORY: New Contract.

SUSTAINABILITY: Sustainability impact considerations and mitigations are incorporated as applicable.

EIC/LEAP COMPLIANCE: The recommended contractor is in compliance with the Equity in Contracting requirements per memorandum dated February 22, 2022. The EIC requirements for this project are MBE one percent, WBE one percent, and SBE zero percent. The EIC utilization levels of the recommended contractor Northwest Cascade Inc are MBE one percent, WBE one percent, and SBE one percent. The Local Employment and Apprenticeship Training Program (LEAP) requirements are Local Employment Goal of 15 percent and Apprentice Utilization Goal of 15 percent.

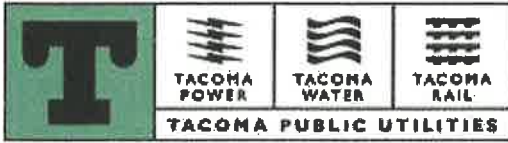
FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|----------------------------|--------------|--------------------------|
| 4700 – Power | PWR-09120 | N/A | \$2,685,420 |
| TOTAL | | | Up to \$2,685,420 |

REVENUES:

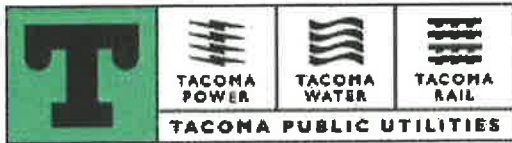
| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------|----------------------------|--------------|--------------|
| | | | |
| TOTAL | | | |



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,685,420

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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



RESOLUTION NO.: U-11310
ITEM NO.: 3
MEETING DATE: MARCH 23, 2022

TO: Board of Contracts and Awards
FROM: Scott Dewhirst, Utilities Director Superintendent, Tacoma Water
Carol Powers, Principal Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Seth Hartz, Finance/Purchasing
SUBJECT: Tehaleh 950 Tank 1010 Zone Booster Pump Station Contract Increase
Request for Qualifications Specification No. WS19-0093F, Contract No.
CW2231182 – March 23, 2022
DATE: March 7, 2022

RECOMMENDATION SUMMARY:

Tacoma Water recommends an increase to Contract CW2231182, to RH2 Engineering, Inc., Bothell, WA, in the amount of \$410,096, plus applicable taxes, for additional design tasks and the addition of engineering services during construction for the Tehaleh tank and booster pump station project. This increase will bring the contract to a cumulative total of \$1,197,362, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.

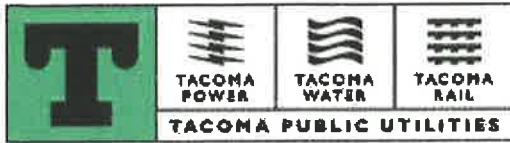
This project will provide clean and reliable water service to the Tehaleh neighborhood development in the 950 and 1010 pressure zones. It will also provide redundant pumping and storage infrastructure supporting the Reliability and Resiliency Strategic Directive.

BACKGROUND:

Tacoma Water's planned water system infrastructure, in the Tehaleh area just south of Bonney Lake as part of the Environmental Impact Statement (EIS) and community master plan, was submitted from the developer (Cascadia) to Pierce County on August 28, 1998. The Tehaleh water storage tank (950 zone) and booster pump station (1010 zone) are the next planned water assets in the master plan.

ISSUE: This project is in final design and is scheduled to begin construction in Summer 2022. This new tank and booster pump station are needed to provide reliable water service to the constantly growing Tehaleh community. Amendment No. 3 to the contract is for final design changes and to add engineering services during construction to the contract.

ALTERNATIVES: The alternative to approving Amendment No. 3 is to bid out engineering services during construction via competitive solicitation. It is recommended to procure these services via amendment in order to allow the design engineer of record to complete the engineering services during construction as they are the most knowledgeable source of information about design choices and how they must be implemented during construction. It is also preferable to use the design engineer of record for engineering services during construction as other engineering firms will be less familiar with the design and may be hesitant to bid on the work, as Tacoma Water has seen in the past. RH2 Engineering, Inc.'s familiarity



with the design also means their time to conduct engineering services during construction can be used most efficiently and at a lower cost compared to a new engineering firm procured for this work.

COMPETITIVE SOLICITATION: Request for Qualifications Specification No. WS19-0093F was opened June 18, 2019. No additional companies were invited to bid beyond the normal advertising of the project. Three submittals were received. A Selection Advisory Committee (SAC) convened to evaluate the qualifications of each firm. Each firm was evaluated on the following criteria:

| Criteria | Points |
|--|--------|
| Record of Successful Past Performance on Similar Projects | 40 |
| Technical Qualifications and Key Staff Qualifications | 30 |
| Relevance and Suitability of the Project Approach to the Scope of Work | 10 |
| Responsiveness of the Project Team Organization | 10 |
| Clarity & Quality of Written Materials | 5 |
| SBE Questionnaire | 5 |

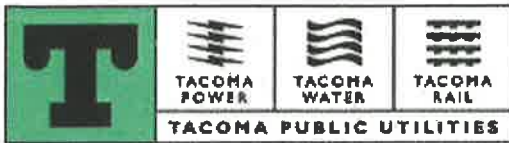
RH2 Engineering, Inc. and MurraySmith scored within a predetermined 5 point threshold that requires an interview for final candidate choice. Interviews with MurraySmith and RH2 Engineering, Inc. were held on July 23, 2019. Post interview, RH2 Engineering Inc. was selected unanimously by the SAC as the most qualified.

| <u>Respondent RFQ</u> | <u>Location</u> <i>(city and state)</i> | <u>Score</u> |
|------------------------------|--|--------------|
| RH2 Engineering, Inc. | Bothell, WA | 256 |
| MurraySmith | Tacoma, WA | 257 |
| Gray and Osborne, Inc. | Seattle, WA | 225 |

CONTRACT HISTORY: This contract was originally awarded to RH2 Engineering, Inc. as a result of Request for Qualifications Specification No. WS19-0093F in November 2019 in the amount of \$663,200, which was approved by Resolution U-11117. This contract added Amendment 1 in May 2020 for additional hydraulic analysis, property and easement coordination, and permitting assistance in the amount of \$74,366, and Amendment 2 in July 2021 for additional design services in the amount of \$49,700. These amendments were, in total, below the administrative increase authority as allowed by Resolution U-11117 of \$200,000 and did not go to the Public Utility Board for additional approval. Amendment No. 3 will increase the contract by \$410,096, plus any applicable taxes, to a cumulative total of \$1,197,362, plus any applicable taxes.

SUSTAINABILITY: RH2 Engineering, Inc. was required to demonstrate sustainable methods incorporated into their services as part of the original evaluation process.

EIC/LEAP COMPLIANCE: Not applicable



FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|----------------------------|--------------|------------------------|
| 4600 Tacoma Water Fund | WTR-00625 (various) | 5330100 | \$410,096 |
| | | | |
| TOTAL | | | Up to \$410,096 |

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|--|----------------------------|--------------|------------------------|
| 4600-SDC Tacoma Water System Development Charge Fund | 587600 | 6311185 | \$410,096 |
| | | | |
| TOTAL | | | Up to \$410,096 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 410,096

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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