



RESOLUTION NO. U-11244

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

6 WHEREAS the City of Tacoma, Department of Public Utilities, Light
7 Division (d.b.a. "Tacoma Power"), originally acquired for public utility purposes,
8 the Mayfield Power House transformers, listed on the Declaration of Surplus
9 Property and background materials on file with the Clerk of the Board, and

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

15 WHEREAS the estimated value of the Mayfield Power House
16 Transformers is \$40,000, and

17 WHEREAS a public hearing was conducted on March 24, 2021, as
18 required by RCW 35.94.040, and

19 WHEREAS Tacoma Power requests that the Utility Board, pursuant to
20 the requirements of RCW 35.94.040 and TMC 1.06.272-278, declare the
21 Mayfield Power House Transformers surplus to Tacoma Power's needs and
22 authorizes Tacoma Power to sell the equipment to the highest responsive
23 bidder(s); Now, Therefore,
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BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

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Sec. 1. The Mayfield Power House Transformers identified on the Declaration of Surplus Property are no longer necessary for providing continued public utility service, and is hereby declared surplus to Tacoma Power's needs and the needs of the Tacoma Public Utilities.

Sec. 2. Tacoma Power is hereby authorized to sell the Mayfield Power House Transformers at a bid sale(s) to the highest responsive bidder(s), and should the transformer not be acquired at sale(s), Tacoma Power is authorized to otherwise dispose of the Mayfield Power House Transformers in Tacoma Power's best interests.

Sec. 3. If a bid for the Mayfield Power House Transformers is higher than \$500,000, then the highest bid over \$500,000 for that lot will be brought by Tacoma Power to the Board for formal approval of the sale.

Approved as to form:

/s/
Chief Deputy City Attorney

Chair

Secretary

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: March 24, 2021
DATE: February 12, 2021

SUMMARY: Tacoma Power recommends the equipment listed on the attached document 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 \$500,000. Sale amounts higher than \$500,000 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. This surplus item 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 Mayfield GSU Transformer Bank 1 write up

CONTACT: Sean Veley, 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: February 11,
Phone: 253-502-8713

- Declaration of Surplus Personal Property
 Declaration of Surplus Real Property
 Declaration of Unusable Personal Property¹

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

Description of Surplus Property

Describe Item or Attach List: Mayfield Bank 1 GSU Fixed Asset # _____
 Address/Location of Items: 253 Hydro Lane Silver Creek, WA 98585 Accounting (for costs/proceeds): _____
 Estimated Commercial or Resale Value: \$40,000 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.

[Signature] 02/12/2021
 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

- 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

Mayfield Power Transformers

We have four single phase 50 MVA, 13.2KV to 230KV generator step up power transformers that each weigh approximately 101,000 pounds, with oil removed. The insulating oil will be removed prior to contractor salvage.

The transformers will be 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 is located at our Cowlitz Project Mayfield Dam.

All equipment may be examined prior to the bid deadline on a limited, escorted basis. Contact Sean Veley at (253) 502-8713 or Sean Forslund at (253) 502-8235 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 removal of radiators. Dismantling should only consist of that which is necessary to safely transport the equipment. Tacoma Power will move the four transformers from their respective bays and have them staged for the contractor to prepare for transport. Any further disassembly and demolition, such as for salvage/recycling, must take place off-site at the selected bidder's location. The selected bidder is to 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 **MUST** indicate in their bid, their intent and method of equipment dismantle to transport. 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 staging area soils. Any failure to supply the requested information may result in bid disqualification.

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 the report is available upon request. The bidder must indicate on their proposal whether the equipment will be scrapped or if it is intended for salvage.

The Mayfield Power House surplus transformers are located at the following location:

Mayfield Power House
253 Hydro Lane
Silver Creek, WA 98585

Photos showing the transformers and locations in the substation, and a nameplate for one of the transformers (they are identical) are attached to this document. Please contact Sean Veley at (253) 502-8713 or Sean Forslund at (253) 502-8235 if any additional information is needed.

Schedule:

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

The transformers are currently scheduled to be available **September 2021**. The contractor will be provided four weeks' notice of the availability of the site. Tacoma Power will make sure that each transformer is drained of oil and available for removal. The contractor will be allowed no more than **5 working days** to remove all listed equipment from the site. If the availability of the equipment is delayed, 5 full days will still be available for removal.

All work on Tacoma Power property will be attended by a qualified Tacoma Power employee as required by state safety regulations. Tacoma Power will supply a qualified person between the hours of 7 am to 12 pm and 12:30 pm to 5:30 pm for the duration of the 5-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 7 am to 12 pm and 12:30 pm to 5:30 pm, not including ½ hour for lunch between noon and 12:30 pm.

\$156.59 per hour for all additional 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.

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, 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 30 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 30 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.

Transformer Photos







