



RESOLUTION NO. U-11307

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/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
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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:

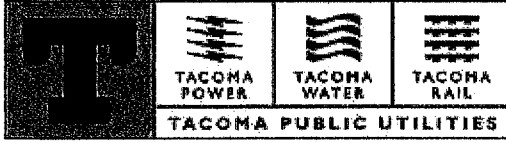
/s/
Chief Deputy City Attorney

Clerk

Chair

Secretary

Adopted



RESOLUTION NO.: U-11307
ITEM NO.: 1
MEETING DATE: FEBRUARY 23, 2022

TO: Board of Contracts and Awards
FROM: Chris R. Robinson, Tacoma Power
Michael Allen, Power Supervisor III, Tacoma Power
COPY: Public Utility Board, EIC Coordinator, LEAP Coordinator, and Tisha Rico,
Finance/Purchasing
SUBJECT: Increase and Extension of Contract for Protective Relays, Meters, Remote
Terminal Units, and Accessories – Request for Bids Specification No. PT17-
0344F, Contract No. 4600012987 - February 23, 2022
DATE: January 31, 2022

RECOMMENDATION SUMMARY:

The Tacoma Power requests approval to increase and extend Contract No. 4600012987 to Schweitzer Engineering Laboratories, Inc., Pullman, WA, by \$600,000, plus applicable taxes, for purchase of protective relays, meters, remote terminal units, and accessories. This increase will bring the contract to a cumulative total of \$1,318,901.36 and the extension will bring the contract term to November 16, 2025, as allowed per TMC 1.06.269 due to market volatility and current supply chain issues.

BACKGROUND:

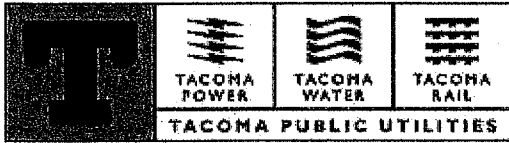
Tacoma Power entered into a three year contract awarded from Request For Bids (RFB) PT17-0344F, with the option for two, one-year renewals, with Schweitzer Engineering Laboratories, Inc. on November 17, 2017. Tacoma Power seeks approval to increase this contract by \$600,000 and extend it for an additional three-year term with a new expiration date of November 16, 2025.

ISSUE: The contract provides for the purchase of protective relays, meters, remote terminal units, and accessories that provide protection and Supervisory Control and Data Acquisition (SCADA) functionality for Tacoma Power generation, transmission, and distribution facilities. Current market volatility makes it an inopportune time to conduct a RFB for these items due to extended lead times and higher product costs.

ALTERNATIVES: The alternative to extending the contract term and increasing the contract value is to allow the contract to expire. The City would be required to initiate a new formal bid process, for the identical devices that are the subject of the existing contract. This new bid process would substantially delay procurement of devices necessary for maintenance and improvement of Tacoma Power facilities as well as potential increases overall. The current vendor has not requested substantial increases to the pricing of the items, which is a concern if the City were to solicit new pricing via a new solicitation.

COMPETITIVE SOLICITATION:

The original RFB Specification No. PT17-0344F was opened September 19, 2017. Six companies were invited to bid in addition to normal advertising of the project. One submittal was received. The present request is for an increase and extension of the existing competitively-bid contract.



<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount (Original)</u>
Schweitzer Engineering Laboratories, Inc.	Pullman, WA	\$632,545.00

Pre-bid Estimate: \$550,000
 The recommended award was 15 percent above the pre-bid estimate.

CONTRACT HISTORY: This contract was originally awarded to Schweitzer Engineering Laboratories, Inc. as a result of RFB Specification No. PT17-0344F in November 2017. Two, one-year extensions, of the contract were executed December 17, 2020 and November 19, 2021.

SUSTAINABILITY: Not applicable

EIC/LEAP COMPLIANCE: Not applicable

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Capital Budget, Fund 4700	Various	5220100	\$600,000
TOTAL			\$600,000

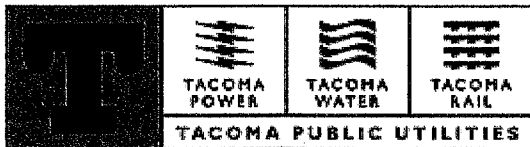
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			\$0

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 50,000

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-11307
ITEM NO.: 2
MEETING DATE: FEBRUARY 23, 2022

TO: Board of Contracts and Awards
FROM: Joseph A. Wilson, Transmission & Distribution Manager
Don Ashmore, Fleet Manager, Transmission & Distribution/Fleet Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Seth Hartz, Finance/Purchasing
SUBJECT: Purchase of Fuels: Gasoline, Diesel, and Renewables for Keep-Full Bulk
Delivery Services: Washington State Contract No. 08721, February 23, 2022
DATE: February 9, 2022

RECOMMENDATION SUMMARY:

The Tacoma Public Utilities (TPU) Fleet Services recommends three contracts be awarded to PetroCard, Kent, WA, KBT Distributing Fuel, Seattle, WA, and Associated Petroleum, Tacoma, WA, for the purchase of bulk fuel including a keep-full delivery service as-needed. These contracts combined reflect a total award of \$19,245,500, plus any applicable sales tax, for an initial three-year contract period and one additional two-year renewal.

BACKGROUND:

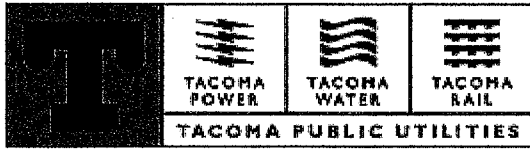
This contract provides a keep-full service of bulk fuel deliveries required for emergency generators and bulk fuel storage tanks used to fuel equipment at outlying TPU site locations such as Water's Green River Watershed, McMillin Reservoir and Pump Stations, Power's T&D Substations and South Service Center; Generation's Cowlitz, Cushman, Nisqually and Wynoochee Project sites, and Tacoma Rail for use in locomotives.

Actual cost at time of purchase includes the base price per gallon plus the margin, taxes, and service fee. The base price fluctuates according to the industry-recognized Oil Price Information Service (OPIS) report, which is published daily. The cost of fuel purchases is passed on to internal customers through a Fleet billing process in Systems, Applications & Products (SAP) software. There is no guaranteed or minimum purchase requirement. The new Washington State contract replaces a contract that was in place since 2011.

ISSUE: These outlying sites do not have easy access to get fuel from the City's card lock fuel sites available through the City's contract for card lock and mobile fuel services.

ALTERNATIVES: Not utilizing the Washington State contract for these fuel purchases would require the City to have to develop its own request for bid specifications to get fuel from a different source and may not be cost effective or efficient as a single entity.

COMPETITIVE SOLICITATION: The Washington State Department of Enterprise Services competitively bid these deliveries in October, 2021. The agency received nine bid submittals and awarded five contracts. Awards were made using the criteria of a proposed service fee coupled with the lowest bid margin, per gallon, by delivery regions.



Vendor	Awarded Region(s)/Service	Amount (plus applicable sales tax)
1. PetroCard Kent, WA	Olympic – Keep Full Northwest – Keep Full	\$18,000,000
2. KBT Distributing Fuel Seattle, WA	Southwest – Keep Full	\$645,500
3. Associated Petroleum Tacoma, WA	All Regions – Renewable Diesel	\$600,000

Through an interlocal cooperative purchasing agreement, the City of Tacoma's purchases will be at Washington State contract prices and terms and meet competitive bidding requirements. Utilizing this Washington State contract is the most cost-effective means as price concessions received by the State exceed those TPU would receive as a single entity due to the high quantity of purchases made by State agencies, as well as municipalities and other government agencies.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Renewable diesel is a newer alternative fuel that is not fully transitioned into the City's diesel fleet fuel use at this time due to serviceability, supplier availability and cost factors. The City's goal is to increase this fuel type usage if those factors improve during the contract period.

EIC/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

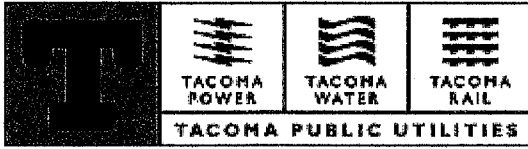
Funds for this contract are available in the budget of the Department of Public Utilities for the Power, Water and Rail Divisions and the Fleet Services Fund.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Tacoma Power	Various	Various	\$ 1,293,500
4600 – Tacoma Water		Various	\$ 852,000
4500 – Tacoma Rail		Various	\$17,100,000
TOTAL			\$19,245,500

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Tacoma Power	Various	Various	\$ 1,293,500
4600 – Tacoma Water		Various	\$ 852,000
4500 – Tacoma Rail		Various	\$17,100,000
TOTAL			\$19,245,500



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$3,207,583

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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