



RESOLUTION NO. U-11347

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:

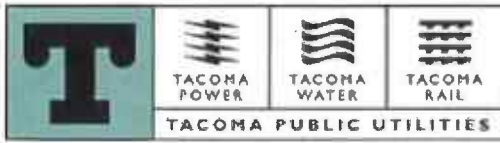
/s/
Chief Deputy City Attorney

Chair

Secretary

Clerk

Adopted _____



RESOLUTION NO.: U-11347
ITEM NO.: 1
MEETING DATE: OCTOBER 12, 2022

TO: Board of Contracts and Awards
FROM: Scott Dewhirst, Superintendent, Tacoma Water
Jessica Knickerbocker, Division Manager, Tacoma Water
Ali Polda, Principal Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tisha Rico, Senior Buyer, Finance/Purchasing
SUBJECT: Owner's Advisor Professional Services Pipeline 1 (P1) Program
Architectural and Engineering (A&E) Roster CW2252178 – October 12, 2022
DATE: September 26, 2022

RECOMMENDATION SUMMARY:

Tacoma Water recommends a contract be awarded to Brown and Caldwell, Tacoma, WA, in the amount of \$671,735, plus applicable taxes, budgeted from the Tacoma Water Fund, for Owner's Advisor professional services in support of the P1 Program.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

BACKGROUND:

P1 is a 27-mile transmission pipeline conveying potable water to the Tacoma Water service area from the Green River Filtration Facility. It is one of the primary water supply pipelines for Tacoma Water. Through a regulatory compliance agreement with the Washington State Department of Health (WSDOH), Tacoma Water is required to fully pressurize P1 by the year 2051.

P1 was constructed in 1912 and was originally designed to flow full by gravity with excess water diverted to the Puyallup River. In the 1980's, environmental regulations modified the way Tacoma Water operated P1; the flow was significantly reduced to eliminate any water diversion. As a result, sections of P1 are partially full and not pressurized.

In 2018, the WSDOH performed a Sanitary Survey of Tacoma Water's system. The report noted that Tacoma Water has a deficiency with P1 due to the pipeline not being fully pressurized over its entire length per WAC 246-290-230(9). To date, Tacoma Water has not had water quality violations due to P1's operational pressure.

An Implementation Plan (IP) was developed in 2021, which detailed a series of capital improvement projects required to pressurize P1 by 2051. The Owner's Advisor will assist Tacoma Water in selection of a Consultant to develop the Conceptual Plan. They will assist with the overall program management, work sequencing, condition assessment approach, preliminary engineering and peer review of major assumptions made in the IP.

ISSUE: P1 needs to meet regulatory compliance by 2051. Tacoma Water staffing and technical expertise is limited in the execution of pressurizing large-diameter pipeline projects. Professional services support from experts knowledgeable in these type of projects will assist Tacoma Water in developing a 30-year program in the most efficient, resilient, and cost-effective manner.



ALTERNATIVES: Performing the Owner's Advisor scope of work by Tacoma Water staff was evaluated but determined not feasible with the current staffing resources and limited technical expertise. The alternative of not awarding a contract will delay capital improvement projects identified in the IP needed for regulatory compliance.

COMPETITIVE SOLICITATION:

Seven firms from the City's A&E Roster were identified as qualified to perform the required services and were invited to submit an updated, project specific Statement of Qualifications (SOQ). Five SOQ'S were received. The Selection Advisory Committee interviewed the two highest evaluated firms based on SOQ scoring. Award recommendation is based on the ranked interview scores below.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Rank</u>
Brown and Caldwell	Tacoma, WA	1
HDR Engineering Inc	Bellevue, WA	2

CONTRACT HISTORY: New contract

SUSTAINABILITY: In accordance with Resolution No. 40776, a commitment to reducing the City's carbon footprint, most project meetings will be conducted virtually and electric vehicles will be used for in-person meetings by City staff.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor received five points for partnering with firms certified by Washington State Office of Minority & Women's Business Enterprises.

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (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-00637 (various)	5330100	\$ 671,735
TOTAL			Up to \$ 671,735



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600 CAPTL Tacoma Water Capital Reserve Fund	587501	6311170	\$671,735
TOTAL			Up to \$ 671,735

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 671,735, plus applicable taxes

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-11347
ITEM NO.: 2
MEETING DATE: OCTOBER 12, 2022

TO: Board of Contracts and Awards
FROM: Dale W. King, Rail Superintendent
Alan Matheson, Rail Assistant Superintendent
Kyle Kellem, Rail Roadmaster
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tisha Rico, Finance/Purchasing
SUBJECT: Increase contract for Locomotive Servicing Facility
Request for Bids Specification No. TR21-0548F, Contract No. SAP 4600014784
– October 12, 2022
DATE: September 27, 2022

RECOMMENDATION SUMMARY:

Tacoma Rail requests approval to increase a contract to General Mechanical, Inc., Tacoma, WA, by \$600,000, plus applicable taxes, for upgrades to the locomotive servicing facility. This increase will bring the contract to a cumulative total of \$4,473,766, plus applicable taxes.

BACKGROUND:

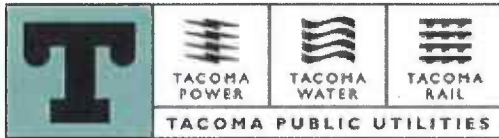
Tacoma Rail is requesting the contract increase due to additional costs primarily due to dewatering and water/contaminated soil disposal fees incurred last spring, and costs associated with an alternative sand storage silo and dispensing system.

In 2006, Tacoma Rail secured a contract with Union Pacific to provide fueling, service and inspections to their locomotives destined to the Port of Tacoma. In the first year of that pilot project, Rail staff provided service to 1,118 Union Pacific locomotives in addition to maintaining our own fleet. A contract with BNSF for the same type of service followed in 2014, and 2,654 BNSF locomotives were handled in the first twelve months of that contract, in addition to 2,306 Union Pacific locomotives as well as maintaining our own fleet. During the first six months of 2021, Rail has serviced an average of 340 Class I locomotives each month in addition to maintaining our own fleet.

In 2011, the TPU Board authorized a contract to install locomotive fueling, sanding and servicing equipment to an existing locomotive storage shed, thereby enabling a more efficient use of the mechanical tracks area. The engineering designs for the initial project anticipated a potential future expansion of the new locomotive servicing area, to include the addition of similar equipment on a second track running through the structure.

ISSUE: Additional excavation of contaminated soils and more de-watering than anticipated in the excavated areas. A non-responsive sub-contractor resulted in cost sharing between Tacoma Rail and the Prime contractor for an alternative locomotive sanding system. The additional equipment is necessary to support current and future locomotive servicing volumes.

ALTERNATIVES: There are no reasonable alternatives for the water/soil disposal. Tacoma Rail could delete the sand system from the current contract and rebid as part of a separate project, although that approach would likely result in higher costs and substantial delays to the facility's completion.



COMPETITIVE SOLICITATION:

Requests for Bids Specification No. TR21-0548F was opened August 3, 2021. Seven companies were invited to bid in addition to normal advertising of the project. Three submittals were received. General Mechanical, Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of Equity in Contracting (EIC) participation goals.

General Mechanical, Inc. submitted a bid that resulted in the lowest evaluated submittal. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
General Mechanical	Tacoma, WA	\$ 3,873,766
Ceccanti, Inc.	Tacoma, WA	\$ 4,364,790
Stacey & Whitbeck	Portland, OR	\$ 5,726,990

Pre-bid Estimate: \$3,037,478.54

The recommended award is 27.5 percent above the pre-bid estimate.

CONTRACT HISTORY: This contract was originally awarded to General Mechanical, Inc. as a result of Request for Bid Specification No. TR21-0548F in August of 2021. The original contract award was in the amount of \$3,873,766.00, plus applicable tax, for a two year term, from August 30, 2021 to August 30, 2023. TPU Board’s original approval for this contract was dated August 25, 2021, resolution U-11273.

SUSTAINABILITY: Not applicable.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the EIC requirements per memorandum dated August 10, 2021. The EIC requirements for this project are MBE three percent, WBE one percent and S/DBE 13 percent. The EIC utilization levels of the recommended contractor, General Mechanical, Inc., are MBE 3.04 percent, WBE 3.04 percent, and S/DBE 13 percent.

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: The LEAP requirements for this project are 15 percent of the project labor hours must be worked by Local Employees and an additional 15 percent of the labor hours must be worked by Apprentices, per TMC 1.90.040.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 4500 Rail	RAL-00087	5320100	\$4,473,766
TOTAL			Up to \$4,473,766

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
WSDOT Loan	RAL-00087	5320100	\$840,000
Tacoma Rail	RAL-00087	5320100	\$3,633,766
TOTAL			Up to \$ 4,473,766

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 4,473,766

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-11347
ITEM NO.: 3
MEETING DATE: OCTOBER 12, 2022

TO: Board of Contracts and Awards
FROM: Tenzin Gyaltzen, Power Section Manager, Tacoma Power
Corey Bedient, Senior Project Manager; Tacoma Water
Curtis Sneddon, IT Project Manager, Utility Technology Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tad Carlson, Finance/Purchasing
SUBJECT: Advanced Metering Infrastructure Operations Consulting Services
Direct Negotiation Waiver, Contract No. C1544 – October 12, 2022
DATE: September 15, 2022

RECOMMENDATION SUMMARY:

Tacoma Power, Utility Technology Services (UTS) and Advanced Metering Infrastructure (AMI) Program requests approval to extend to December 31, 2024 and increase contract C1544, to eSource Companies LLC (formerly Excergy Corporation) of Denver, CO, by \$650,000, plus applicable taxes, for consulting services to support the AMI Operational Leadership. This increase will bring the contract to a cumulative total of \$1,583,282, 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.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

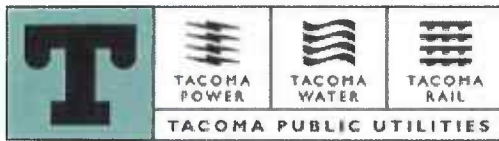
BACKGROUND:

In 2020, eSource Companies LLC was given the contract through a waiver for direct negotiation wherein the consultant worked to ensure AMI operational success. With the beginning roll-out of AMI, continued operational support is essential to ensure ongoing project success. Doing the project operations right is one of our highest priorities. Engaging with an experienced consultant as the AMI Program gets underway is essential to ensuring that it is successfully implemented at the lowest possible cost and remains on schedule to meet the mass meter deployment timeline. eSource Companies LLC is already providing related consulting services for the AMI Program and is deeply knowledgeable of the City's goals and desires for implementation.

ISSUE: AMI project staff are working to mitigate the meter supply chain impacts to keep the mass meter deployment on schedule, which includes operational functionality that brings capabilities and services to our customers.

ALTERNATIVES: UTS is not considering alternatives because eSource Companies LLC is already deeply engaged in successful operations. Time is of the essence, and further leveraging eSource Companies LLC /Excergy Corporation for this essential part of the project is an appropriate course of action given the circumstance.

COMPETITIVE ANALYSIS: AMI Operations is in progress with eSource Companies LLC performing the operational support effectively. Changing and bringing a new supplier up-to-speed on project goals would increase the cost and delay the planning more than six months.



We believe the onboarding of a new contractor and subsequent planning delays would put the project success at risk and increase the overall project costs. Utilizing experienced and knowledgeable resources already hired for the operations is the most cost-effective approach resulting in the highest probability of success.

CONTRACT HISTORY: This contract was originally awarded to eSource Companies LLC as a result of a Direct Negotiation in January 2021. On July 28, 2021, the contract was increased by \$446,046 and extended to July 1, 2023 under Public Utility Resolution U-11271 for a total contract amount of \$933,282.

SUSTAINABILITY: Not Applicable

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not Applicable

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not Applicable

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 - Power			73 percent - \$474,500
4600 - Water			27 percent - \$175,500
TOTAL			Up to \$650,000

REVENUES:

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

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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



RESOLUTION NO.: U-11347
ITEM NO.: 4
MEETING DATE: OCTOBER 12, 2022

TO: Board of Contracts and Awards
FROM: Tenzin Gyaltzen, Power Section Manager, Tacoma Power
Corey Bedient, Senior Project Manager; Tacoma Water
Curtis Sneddon, IT Project Manager, Utility Technology Services
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tad Carlson, Finance/Purchasing
SUBJECT: Customer Engagement Portal Consulting Services
Direct Negotiation Waiver, Contract No. C1537 – October 12, 2022
DATE: September 15, 2022

RECOMMENDATION SUMMARY:

Tacoma Power, Utility Technology Services (UTS) and Advanced Metering Infrastructure (AMI) Program requests approval to extend to December 31, 2024 and increase Contract C1537, to eSource Companies LLC (formerly Excergy Corporation) of Denver, CO, by \$150,000, plus applicable taxes, for consulting services to support the Customer Engagement Portal (CEP) project management, engineering, development, deployment, and testing. This increase will bring the contract to a cumulative total of \$1,557,014, 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.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

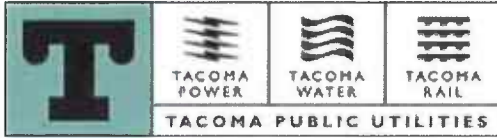
BACKGROUND:

In 2020, eSource Companies LLC was given the contract through a waiver for direct negotiation under resolution U-11123 wherein the consultant worked to complete the CEP request for proposals that was awarded to Milestone Utility Services Inc (now i3 Milestone) and all the contracts completed and approved by the Public Utility Board on November 18, 2020. Now the work moves to CEP implementation and roll-out. The CEP provides a convenient method for customers to monitor and control their energy and water consumption and is an essential part of the advanced metering project. Doing the project implementation right is one of our highest priorities. Engaging with an experienced consultant as the AMI Program sets up and implements the portal framework is essential to ensuring that it is successfully implemented at the lowest possible cost and remains on schedule to meet the mass meter deployment timeline.

ISSUE: AMI project staff are working to keep the mass meter deployment on schedule, which includes the CEP functionality that brings capabilities and services to City customers.

ALTERNATIVES: UTS is not considering alternatives because CEP is complementary to AMI. Time is of the essence, and further leveraging eSource Companies LLC for this complementary phase of the project is an appropriate course of action given the circumstance.

COMPETITIVE ANALYSIS: Bringing a new supplier up-to-speed on project goals would increase the cost and delay the planning and implementation by more than six months. Tacoma



Power, Utility Technology Services (UTS) and Advanced Metering Infrastructure (AMI) Program believe the onboarding of a new contractor and subsequent planning delays would put the project success at risk and increase the overall project costs. Utilizing experienced and knowledgeable resources already hired for the project is the most cost-effective approach resulting in the highest probability of success.

CONTRACT HISTORY:

This contract was originally awarded to Exergy Company as a result of a Direct Negotiation in November 2019 and approved by the Public Utility Board Resolution U-11123. Amendment No. 1, effective October 10, 2020, extended termination date to December 31, 2021. Effective October 15, 2020, Exergy Corporation changed its name to eSource Companies LLC. Amendment No. 2, effective December 11, 2020, supplemented the scope of work and increased contract value by \$243,333 to new not-to-exceed of \$962,014 which was approved by the Public Utility Board Resolution U-11224. Effective May 15, 2021, Amendment No. 3 assigned the contract from Exergy Company to eSource Companies LLC and increased contract value by \$400,000 to new not-to-exceed value of \$1,362,014. Effective September 15, 2021, Amendment No. 4 extended termination date to December 31, 2022. Effective June 20, 2022, contract value was increased by \$75,000 for a new not-to-exceed value of \$1,437,014.

SUSTAINABILITY: Not Applicable

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not Applicable

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not Applicable

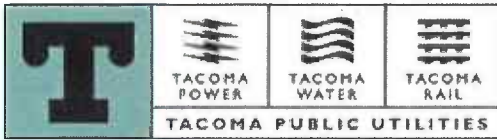
FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 - Power			73 percent - \$109,500
4600 - Water			27 percent - \$ 40,500
TOTAL			Up to \$150,000

REVENUES:

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



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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