



RESOLUTION NO. U-11359

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,
25
26



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

2 That the Public Utility Board of the City of Tacoma hereby concurs and
3 approves the recommendations of the Board of Contracts and Awards or
4 the requesting division, and approves, as appropriate: (1) the purchase or
5 furnishing of those materials, supplies, equipment or services recommended for
6 acceptance; (2) the sale of surplus materials, supplies or equipment
7 recommended for acceptance; (3) the purchase from a cooperative or another
8 governmental entity contract; and (4) the increase or extension of an existing
9 agreement, and said matters may include waiver of the formal competitive bid
10 process or waiver of minor deviations, all as set forth on Exhibit "A," and
11 authorizes the execution, delivery and implementation of appropriate notices,
12 contracts and documents by the proper officers of the City for said transactions.
13
14

15 Approved as to form:

16 _____
17 /s/
18 Chief Deputy City Attorney

Chair

Secretary

19 _____
20 Clerk

Adopted _____



City of Tacoma

U-11359
#1

Contract and Award Letter
Resolution No.:

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance Department
Patsy Best, Procurement and Payables Division Manager, Finance Department
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Tad Carlson, Finance
Department.
SUBJECT: Citywide - Bond Counsel Services
Request for Proposals Specification No. LD22-0075F, Contract No. CW2252520
– November 16, 2022 Public Utility Board and November 22, 2022 City Council
DATE: October 13, 2022

RECOMMENDATION SUMMARY:

The Finance Department recommends a contract be awarded to Pacifica Law Group LLP, Seattle, WA, in the amount of \$3,000,000, plus applicable taxes, budgeted from various funds for an initial contract term of three years, with the option to renew for three additional one-year periods, for a projected contract amount of \$3,000,000, for bond counsel services for the City of Tacoma, including Tacoma Public Utilities.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

Issuing bonds helps the City with needed funding to use for various needed projects.

BACKGROUND:

The City has ongoing need for bond counsel services and the existing contract has exercised all the term extension options. The recommended contract will replace the existing for the services for three to six years.

ISSUE: There is ongoing need for bond counsel services.

ALTERNATIVES: The alternative to having a contract in place would be to solicit the services on a project-by-project basis which would delay timeframes and neglect the savings netted from having a standing agreement for all the City's needs. In addition, the City benefits from having consistency in bond counsel services, moving to a project-by-project system could potentially create confusion or inconsistency in the issuance of bonds.

COMPETITIVE SOLICITATION:

Request for Proposal Specification No. LD22-0075F was opened April 4 2022. Forty-six companies were invited to bid in addition to normal advertising of the project. Two submittals were received.

Pacifica Law Group LLP submitted a bid that resulted in the best evaluated submittal after consideration of Equity in Contracting (EIC) participation goals.



| <u>Respondent</u> | <u>Location</u> (city and state) | <u>Score</u> |
|--------------------------------|-------------------------------------|--------------|
| Pacifica Law Group, LLP | Seattle, WA | 89.9 |
| Foster Garvey PC | Seattle, WA | 81.9 |

CONTRACT HISTORY: New Contract.

SUSTAINABILITY: Five percent of the scoring criteria was reserved for sustainability considerations.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Five percent of the scoring criteria was reserved for EIC considerations.

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 |
|----------------------------|-------------------------------|-----------------|--------------------------|
| Various Departmental funds | | | Up to \$3,000,000 |
| | | | |
| | | | |
| TOTAL | | | Up to \$3,000,000 |

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------------------|-------------------------------|-----------------|--------------------------|
| Various Departmental funds | | | Up to \$3,000,000 |
| | | | |
| | | | |
| TOTAL | | | Up to \$3,000,000 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Approximately \$250,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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



TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance Department
COPY: Patsy Best, Procurement and Payables Division Manager, Finance Department
Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Tad Carlson, Finance
Department.
SUBJECT: Citywide – On-Call Fencing Services
Request for Bid (RFB) Specification No. CT21-0699F, Contract No. CW2250344
– November 16, 2022 Public Utility Board and November 22, 2022 City Council
DATE: October 12, 2022

RECOMMENDATION SUMMARY:

The Finance Department recommends two contracts be awarded for on-call fencing services; one to Secoma Fence, Inc, Milton, WA, and one to Quality Fence Builders Inc., Auburn, WA. Each contract will be in the amount of \$1,350,000, plus applicable taxes, budgeted from various funds, for an initial contract term of one year, with the option to renew for three additional one-year terms. The projected total amount for both contracts is \$2,700,000.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

The City has had a Citywide on-call fencing contract for many years. The existing contract has reached the end of its term and will expire at the end of the year 2022. The estimated spend over the next four years is approximately \$2,700,000, which is based on previous contract usage. Final spend on this proposed contract will be determined based upon actual usage over the contract term.

Upon intake of bids, preliminary results were recorded in error indicating that Quality Fence Builders Inc, had submitted the low bid. Consequently, notice of award was sent to all respondents. In drafting and reviewing this contract and award letter, the mistake was discovered. Upon correction, it was discovered that Quality Fence Builders, Inc. submitted a bid that was only one-and-a-half percent higher than the lowest bid. Since Quality Fence Builders, Inc. had previously been informed of award, and since they are a certified Woman Owned Business, it was decided to award two contracts.

The award of two contracts has the additional advantages of providing increased capacity to perform work at multiple sites simultaneously and offers competitive pricing allowing departments to select the less expensive of the two contractors based on the specific materials to be used in the requested projects.



ISSUE: Many departments require fencing services and often the needs are unexpected and/or urgently needed. The proposed contracts will establish set prices for frequently used materials as well as pricing terms for less commonly used materials and services.

ALTERNATIVES: The alternative to establishing Citywide on-call contracts would be that departments would need to go to bid each time they identified fencing needs. Such bids would significantly decrease the ability of the City to respond to needs promptly and would eliminate savings gained by combining the volume of departments across the City into a single contract.

COMPETITIVE SOLICITATION:

RFB Specification No. CT21-0699F was opened February 8, 2022. Three hundred ninety-five companies were invited to bid in addition to normal advertising of the project. Four submittals were received, but only three were found responsive.

Secoma Fence, Inc and Quality Fence Builders, Inc. submitted bids that resulted in the lowest evaluated submittals after consideration of Equity in Contracting (EIC) participation goals. The table below reflects the amount of the presented bid. The items and quantities presented for bid were a proportional representation of the City's usage over the previous contract term.

| <u>Respondent</u> | <u>Location</u> <i>(city and state)</i> | <u>Submittal Amount</u> |
|-----------------------------------|--|-------------------------|
| Secoma Fence, Inc. | Milton, WA | \$981,166 |
| Quality Fence Builders Inc | Auburn, WA | \$996,187.50 |
| All City Fence | Seattle, WA | \$2,201,790 |
| DTG Recycle | | Non-Responsive |

Pre-bid Estimate: \$2,700,000

The recommended award is the same as the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: The City's sustainability statement was included in this specification.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The EIC requirements for this solicitation were waived per Equity in Contracting Waiver Request Form approved on April 20, 2022. However, Quality Fence Builders Inc. is certified as a woman owned business with Washington State Office of Minority and Women Business Enterprise.

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 |
|---------------------------|-------------------------------|-----------------|-------------------|
| Various | | | Up to \$2,700,000 |
| | | | |
| | | | |
| TOTAL | | | Up to \$2,700,000 |

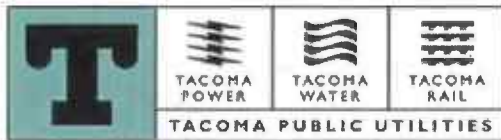
REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------|-------------------------------|-----------------|-------------------|
| Various | | | Up to \$2,700,000 |
| | | | |
| | | | |
| TOTAL | | | Up to \$2,700,000 |

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. N/A



RESOLUTION NO.: U-11359
ITEM NO.: 3
MEETING DATE: NOVEMBER 16, 2022

TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO
Chris Mattson, Generation Manager
Ozan Ferrin, Generation Engineering Manager
David Wagner, Project Manager
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tina Eide, Finance/Purchasing
SUBJECT: Cushman 2 Powerhouse Units 31 & 32 Rebuild Project
Request for Proposal (RFP) Specification No. PG21-0454F – November 16,
2022
DATE: October 27, 2022

RECOMMENDATION SUMMARY: Tacoma Power recommends a contract be awarded to GE Renewables US, LLC, Greenwood Village, CO, for the Cushman 2 Powerhouse Units 31 & 32 Rebuild Project, in the amount of \$24,077,878, plus \$1,203,894 in contingency funds, budgeted from the 4700-Power Fund, for a projected contract total of \$25,281,772, plus applicable taxes.

BACKGROUND:

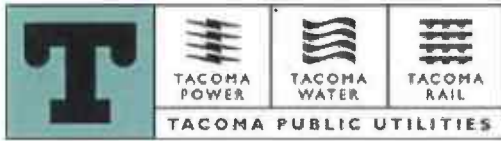
Cushman 2 Power Generating Station is located on the North Fork of the Skokomish River. The powerhouse was constructed in the mid 1930's and houses three 30 MVA generators. Power production with Units 31 & 32 began in 1930. Since that time, Unit 31's turbine was refurbished in 1996 and generator rewound in 1977. Unit 32's turbine was refurbished in 1995 and generator rewound 1975. The stator core and poles are original in both Units.

ISSUE: The expected service life of hydro generator stator windings is 25-40 years and the majority of generator failures occur as a result of electrical insulation deterioration in the stator windings. Units 31 & 32 stator windings will be 49 years and 50 years old, respectively, when replaced in 2025 and 2026. Additionally, turbine wear components are due for replacement and major turbine components are in need of refurbishment.

ALTERNATIVES: Three alternatives were considered – run-to-failure; generator rewind only; and biennium deferral. A "run-to-failure" alternative would defer the work until after a failure occurs. This alternative carries a premium cost associated with the unplanned and emergency nature of an extended generator outage, as well as increased quality risk to the City resulting from pressure to return the repaired unit to service. Further, the run-to-failure alternative assumes an in-kind replacement of the generator windings and no turbine refurbishment.

The "generator rewind" alternative would address the aged generator, replacing the stator windings and core, and refurbishing the rotor poles; however, this alternative would leave the turbine untouched and in need of rehabilitation well before the next major generator overhaul. This alternative, like the run-to-failure alternative, does not address the turbine and removes the benefits from a turbine refurbishment. One benefit of turbine refurbishment is the introduction of synchronous condenser mode of operation, which will improve the marketability of the unit.

The "biennium deferral" alternative would defer the entire project to the 2027/2028 biennium. This alternative increases the City's risk exposure to an in-service failure, not only for Units 31 & 32 at Cushman 2 but across the City's fleet of generators. Roughly two thirds of the City's generators are recommended for overhaul in the next 15-20 years and although deferring this



project a biennium may help meet budget constraints in the near term, it will likely only exacerbate budget issues and compromise the reliability of the City's hydro fleet in the long term. Another drawback from this alternative is that the City would lose much of the investment to date if the project were deferred.

COMPETITIVE SOLICITATION:

As part of a two-phase procurement process under RCW 39.10 *Alternative Public Works Contracting Procedures*, Request for Qualifications Specification No. PG21-0529F was opened on May 25, 2021. Five submittals were received. The companies who submitted the three highest scoring submittals were selected as Finalists to move to the next phase of the selection process. One Finalist chose to drop out, leaving two finalists.

Request for Proposal Specification No. PG21-0454F was opened June 7, 2022. The specification allowed Finalists to propose the best solution to meet the City's published Project Goals for the given requirements. Proposals were submitted in two parts – Technical and Price. Technical proposals were evaluated based on Design, Management Plan, Schedule, and Inclusion Plan. After evaluation and scoring of the Technical proposals, an in-person interview with each Finalist was conducted and scored. Price proposals were then opened and evaluated based on lump sum pricing for base scope.

GE Renewables US, LLC submitted a bid that resulted in the highest evaluated submittal. The table below reflects the amount of the base award.

| <u>Respondent</u> | <u>Location (city and state)</u> | <u>Score</u> |
|------------------------------|----------------------------------|--------------|
| GE Renewables US, LLC | Greenwood Village, CO | 103 |
| Andritz Hydro, Corp | Charlotte, NC | 84 |

Pre-bid Estimate: \$20,000,000 - \$22,000,000

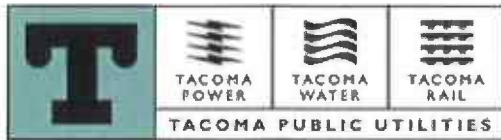
The recommended award is roughly 15 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The rehabilitation of these two hydroelectric units helps maintain the City's desire to reduce its carbon footprint per Resolution No. 40776 for another 30 years. Providing ratepayers a stable renewable energy source for years to come.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The alternative contracting procedure procurement (i.e. Design-Build) did not include an EIC goal for this contract award; rather, firms competing for award were asked to submit an EIC plan for the project. The recommended contractor will have an EIC goal based on their submitted plan that will be tracked as a part of this project. The proposed EIC goal is 1.37 percent of the total contract award split between SBE, DBE, MBE and WBE certified firms.

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:

The recommended contract award to GE Renewables US, LLC for \$25,281,772 is eighty-six percent of the overall project estimate of \$29,334,900. Of the total project estimate, \$220,000 was planned and budgeted in 2019/2020 and \$1,452,000 was budgeted in 2021/2022, totaling \$1,672,000 for the budget to-date. Additional funds have been included in Power's 2023/2024 capital portfolio in the amount of \$7,496,000, resulting in a grand total of \$9,388,000. Remaining funds needed are planned for in Tacoma Power's 10-year Capital Improvement Plan, and will be requested as a part of the biennial budgeting process in future biennia.

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|-------------------------------|-----------------|---------------------|
| 4700-Power Fund | PWR-01085 | 6311221 | \$25,281,772 |
| | | | |
| | | | |
| TOTAL | | | \$25,281,772 |

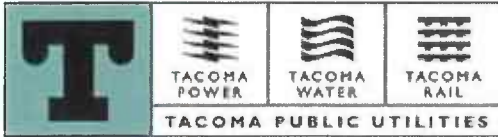
REVENUES:

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

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$9,279,685

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-11359
ITEM NO.: 4
MEETING DATE: NOVEMBER 16, 2022

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director/Power Superintendent
Joseph Wilson, Power Section Manager, Transmission & Distribution
John Merrell, Power Section Assistant Manager II, Transmission & Distribution Engineering
James Blessing, Power Engineer IV, Transmission & Distribution Engineering
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP Coordinator, and Erica Pierce, Finance/Purchasing
SUBJECT: Transmission & Distribution (T&D) Transmission Line Modeling and Design Architectural and Engineering Roster – Non-LAG Projects, Contract No. CW2252661 – November 16, 2022
DATE: October 27, 2022

RECOMMENDATION SUMMARY:

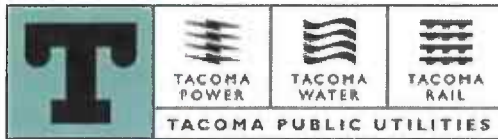
Tacoma Power recommends a contract be awarded to Electric Power Systems, Inc., Anchorage, Alaska, in the amount of \$1,500,000, plus applicable taxes, budgeted from a combination of Tacoma Power capital and expense budgets, for an initial contract term of two years with the option to renew for additional one-year periods, not to exceed three (3) renewals. The projected contract amount is \$1,500,000, plus applicable taxes, for transmission line modeling and design.

BACKGROUND:

Tacoma Power has approximately 350 miles of transmission lines with 60 miles in shared rights-of-way. Tacoma Power is requesting a full Light Detection and Ranging (LiDAR) survey of the transmission line system to develop Power Line Systems – Computer Aided Design and Drafting (PLS-CADD) models. These models will be used to identify conformance with clearance requirements that are defined by the National Electric Safety Code (NESC). The engineering consultant is experienced in directing and managing collection of the LiDAR information, transmission line modeling, design, permitting, and construction. They will develop design solutions for required actions to mitigate identified clearance violations. The consultant will also support additional task orders for internal and external customer transmission line design.

ISSUE: Tacoma Power is required to maintain and correct deficiencies of its transmission line system. Industry practice is to use the LiDAR and PLS-CADD technologies to model and maintain the accuracy of its system models. Transmission & Distribution is in need of an updated model of its system. Penalties for violations may be incurred, but the safe and reliable operations of system for City customers is the priority. A similar LiDAR survey and modeling effort was conducted over a decade ago, and best practice is to conduct such surveys at least this often as conditions under and around transmission lines can change.

ALTERNATIVES: Selective modeling of lines are inefficient and the full effort is not compatible with existing T&D Line Engineering resource commitments. Internal resources are not available to implement this complex and data-driven engineering product.



COMPETITIVE SOLICITATION:

The Architectural and Engineering Roster establishes a ready list of architectural and engineering consultants as defined by RCW 39.80 and meets the legal requirements for a competitive solicitation.

Four companies from the roster were invited to respond. Three companies responded and were evaluated through a Selection Advisory Committee (SAC) process and Electric Power Systems, Inc. was selected as the most qualified to provide the services required for the proposed project. The SAC results are shown below.

| <u>Respondent</u> | <u>Location</u> <i>(city and state)</i> | <u>Score</u> |
|--|--|--------------|
| Electric Power Systems, Inc. | Anchorage, AK | 96 |
| Burns & McDonnell Engineering Co, Inc. | Kansas City, MO | 81 |
| Power Engineers, Inc. | Hailey, ID | 66 |
| Black & Veatch Corp. | Saint Louis, MO | NA |

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Not Applicable.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not Applicable.

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

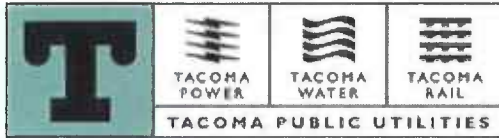
FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|-------------------------------|-----------------|---------------------------|
| 4700 - Tacoma Power Fund | 569600 | | \$1,000,000 |
| 4700 - Tacoma Power Fund | | 6311200 | \$500,000 |
| | | | |
| Total | | | Up to \$ 1,500,000 |

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|--------------------------|-------------------------------|-----------------|---------------------------|
| 4700 - Tacoma Power Fund | 561100 | | \$ 1,500,000 |
| | | | |
| | | | |
| TOTAL | | | Up to \$ 1,500,000 |



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 1,500,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? NO

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. Cost Center Managers within Transmission & Distribution are reviewing priorities to budget this project.



RESOLUTION NO.: U-11359

ITEM NO.: 5

MEETING DATE: NOVEMBER 16, 2022

TO: Board of Contracts and Awards
FROM: Chris R. Robinson, Utilities Deputy Director/Power Superintendent
Joseph A. Wilson, Power Section Manager, PE, Transmission and Distribution
Joe Parris, Contract Program Manager, Transmission and Distribution
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP Coordinator, and Erica Pierce, Finance/Purchasing
SUBJECT: Transmission Wood Poles, 65 feet to 110 feet
Request for Bids Specification No. PT22-0291F – November 16, 2022 Public Utility Board
DATE: November 2, 2022

RECOMMENDATION SUMMARY:

Tacoma Power Transmission and Distribution recommends a contract be awarded to Bell Lumber & Pole Company, New Brighton, WA, in the amount of \$2,480,045, plus applicable taxes, budgeted from the Capital Outlay Budget, for an initial contract term of three years with the option to renew for two additional one-year periods, for a projected contract amount of \$4,208,553.70, plus applicable taxes, for the supply of transmission wood poles on an as-needed basis for warehouse stock.

BACKGROUND:

The contract will provide supply of pressure treated wood poles 65 feet through 110 feet in length. Wood poles are managed by the Power Warehouse as an inventory material. The forecasted usage includes requirements for new construction, maintenance, and relocation of transmission lines operated by Tacoma Power.

ISSUE: Consistent demand for transmission poles is expected as increases continue in road improvement projects, joint use attachments requiring pole replacement, and poles identified for replacement through our inspection program in addition to our forecasted usage.

ALTERNATIVES: Tacoma Power could purchase transmission poles on a one-time, as-needed basis without awarding a contract. This would extend lead times and require numerous solicitations significantly impacting internal resources and negatively effecting service time and project timelines. This would potentially result in increased costs by not leveraging economies of scale.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. PT22-0291F was opened November 1, 2022. Three companies were invited to bid in addition to normal advertising of the project. Two submittals were received.

Bell Lumber & Pole Company submitted a bid that resulted in the lowest evaluated submittal. The table below reflects the amount of the initial contract term.



| | | |
|---------------------------------------|-------------------------|-------------------------|
| <u>Respondent</u> | <u>Location</u> | <u>Submittal Amount</u> |
| Bell Lumber & Pole Company | New Brighton, WA | \$2,480,045 |
| Stella-Jones Corporation | Tacoma, WA | \$2,592,482 |

Pre-bid Estimate: \$2,130,000

The recommended award is 16 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

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 Tacoma Power | Various | Various | \$2,480,045 |
| | | | |
| TOTAL | | | Up to \$2,480,045 |

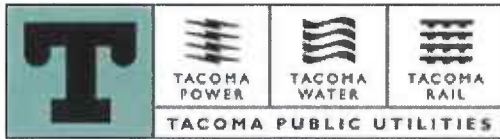
REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------|-------------------------------|-----------------|--------------------------|
| Power Sales | Various | Various | \$2,480,045 |
| | | | |
| TOTAL | | | Up to \$2,480,045 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$68,890

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.: 0-11359
ITEM NO.: 6
MEETING DATE: NOVEMBER 16, 2022

TO: Board of Contracts and Awards
FROM: Scott Dewhirst, Superintendent, Tacoma Water
Jessica Knickerbocker, Division Manager, Tacoma Water
Katie Lindberg, Associate Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tisha Rico, Senior Buyer, Finance/Purchasing
SUBJECT: Water Main Replacement Project No. MRP 2022-0002
Request for Bids Specification No. TW22-0077F– November 16, 2022
DATE: November 2, 2022

RECOMMENDATION SUMMARY:

Tacoma Water recommends a contract be awarded to Pacific Civil & Infrastructure Inc, Tacoma, WA, in the amount of \$536,892, plus applicable taxes, for the replacement of acquired polyvinyl chloride (PVC) and asbestos cement water mains. This project is budgeted from the Tacoma Water Capital Reserve Fund and the expenditures will be reimbursed over time through Curran Road customer surcharges.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

BACKGROUND:

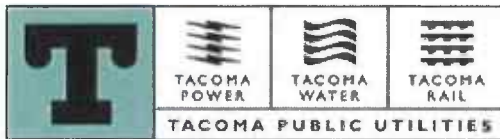
This contract provides for the replacement of PVC and asbestos cement water mains acquired in 2017 from the Curran Road Mutual Water Association in Pierce County. The project will construct approximately 2,200 linear feet of 8-inch and 6-inch ductile iron water main and will include the installation of pressure reducing valves (PRV's) at each service along 138th St E.

In 2017, Tacoma Water acquired the Curran Road water system in accordance with the "Water System Acquisition Agreement" authorized by the Public Utility Board and City Council. The Agreement calls for a number of system improvements over a period of 10 years. This proposed water main work was identified for replacement as part of these system improvements to be completed. Water system improvements will ultimately be paid for through a surcharge on those customers receiving service within the former Curran Road service area. The customer surcharge is anticipated to have an approximate duration of 30 years.

Tacoma Water will replace the service and water meters for each existing service impacted by main replacement. In addition to the meters, 13 PRV's will be installed along 138th St to optimize water service.

ISSUE: The proposed water main replacement work was identified as part of the Curran Road acquisition process.

ALTERNATIVES: Tacoma Water considered rehabilitating the water main, however, this option was cost prohibitive and does not provide a long-term solution. Tacoma Water also considered installing a PRV for the entire block on 138th St, however, this option was cost prohibitive and would add more work to install a custom PRV vault.



COMPETITIVE SOLICITATION: Request for Bids Specification No. TW22-0077F was opened October 18, 2022. Thirty-three companies were invited to bid in addition to normal advertising of the project. Eight submittals were received.

Pacific Civil & Infrastructure 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> | <u>Submittal Amount</u> |
|---|-------------------|-------------------------|
| Pacific Civil & Infrastructure Inc | Tacoma, WA | \$536,892 |
| Northwest Cascade Inc | Puyallup, WA | \$550,965 |
| HCON Incorporated | Puyallup,, WA | \$555,656 |
| Reed Trucking & Excavating Inc | Puyallup, WA | \$561,378 |
| Pape & Sons Construction Inc | Gig Harbor, WA | \$578,124.50 |
| Miles Resources LLC | Puyallup, WA | \$608,390.50 |
| Olson Brothers Excavating Inc | Puyallup, WA | \$658,325.90 |
| Ceccanti Inc | Tacoma, WA | \$667,100.20 |

Pre-bid Estimate: \$636,402

The recommended award is 15.6 percent below the pre-bid estimate.

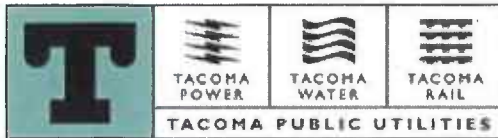
CONTRACT HISTORY: New contract.

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 is in compliance with the required provisions of Tacoma Municipal Code Chapter 1.07. The EIC requirements for this project are Minority Business Enterprise (MBE) four percent, Women Business Enterprise (WBE) one percent and Small Business Enterprise (SBE) four percent. The EIC utilization levels of the recommended contractor, Pacific Civil & Infrastructure Inc, are MBE 5.65 percent, WBE one percent, and SBE 4.88 percent.

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP)

COMPLIANCE: The LEAP requirement for this project is 15 percent of the project labor hours must be worked by Local Employees, per TMC 1.90.040.



FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|-------------------------------|-----------------|------------------------|
| 4600 Tacoma Water Fund | WTR-00560 (various) | 5330100 | \$536,892 |
| | | | |
| | | | |
| TOTAL | | | Up to \$536,892 |

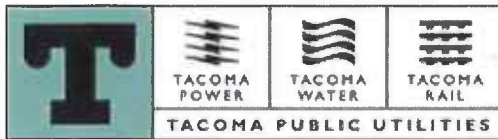
REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---|-------------------------------|-----------------|------------------------|
| 4600 CAPTL Tacoma Water Capital Reserve Fund | 587501 | 6311170 | \$536,892 |
| | | | |
| | | | |
| TOTAL | | | Up to \$536,892 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$536,892, 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-11359
ITEM NO.: 7
MEETING DATE: NOVEMBER 16, 2022

TO: Board of Contracts and Awards
FROM: Scott Dewhirst, Superintendent, Tacoma Water
Jessica Knickerbocker, Division Manager, Tacoma Water
Kim DeFolo, Principal Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Tisha Rico, Finance/Purchasing
SUBJECT: Water Treatment Chemical Supply for 2023
Request for Bids Specification No. TW22-0313F – November 16, 2022
DATE: October 30, 2022

RECOMMENDATION SUMMARY: Tacoma Water recommends contracts be awarded to five low bidders for the supply of water treatment chemicals for a contract term of the 2023 calendar year with no option for renewal. The cumulative total for the five contracts is \$2,748,595, plus applicable taxes, budgeted from the Tacoma Water Fund.

- **Newco Inc., dba Cascade Columbia Distribution Co., Seattle, WA** for \$280,800
- **Northstar Chemical Inc, Sherwood, OR** for \$1,386,000
- **HASA Inc, Saugus, CA** for \$643,500
- **JCI Jones Chemicals Inc, Tacoma, WA** for \$125,095
- **Chemtrade Chemicals Corp, Parsippany, NJ** for \$313,200

BACKGROUND:

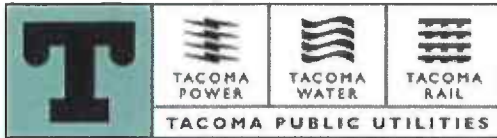
Water treatment chemicals are required to ensure that Tacoma Water's water supply is safe for the public to drink. Tacoma Water uses water treatment chemicals for disinfection, pH adjustment, and fluoridation of the Green River water and South Tacoma groundwater. Additional chemicals are also used for pretreatment of the Green River supply prior to filtration. Water treatment chemicals are delivered in bulk to the Green River Filtration Facility in Ravensdale and Hood Street Reservoir in Tacoma.

ISSUE: Each year, contracts are awarded for the water treatment chemicals required at the Green River Filtration Facility and Hood Street Reservoir. Low bidders are each awarded annual contracts for one or more chemicals. Due to fluctuate of most chemicals on the market, one year is the longest period that suppliers are typically willing to provide firm pricing.

ALTERNATIVES: Water treatment chemicals must be purchased by Tacoma Water or the drinking water supply will not be in compliance with Federal and State drinking water regulations. The current chemicals were selected during facility design as the most operationally suitable and cost-effective options for Tacoma Water; alternate chemicals cannot be purchased at this time without additional capital expenditures.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. TW22-0313F was opened October 18, 2022. Twenty-one companies were invited to bid in addition to normal advertising of the project. Eight submittals were received.



The table below reflects the amount of the total award for each line item.

| <u>Respondent</u> | <u>Location</u> <i>(city and state)</i> | <u>Submittal</u> <u>Amount</u> |
|--|--|-----------------------------------|
| Item 1a – Fluorosilicic Acid (Green River Filtration Facility) | | |
| Newco Inc., dba Cascade Columbia Distribution Co. | Seattle, WA | \$249,600 |
| Item 1b – Fluorosilicic Acid (Hood Street Reservoir) | | |
| Newco Inc., dba Cascade Columbia Distribution Co. | Seattle, WA | \$31,200 |
| Item 2 – 50% Sodium Hydroxide (Green River Filtration Facility) | | |
| Northstar Chemical Inc | Sherwood, OR | \$1,092,000 |
| Univar Solutions USA Inc | Kent, WA | \$1,230,000 |
| JCI Jones Chemicals Inc | Tacoma, WA | \$1,584,000 |
| Item 3 – 25% Sodium Hydroxide (Hood Street Reservoir) | | |
| Northstar Chemical Inc | Sherwood, OR | \$108,400 |
| Univar Solutions USA Inc | Kent, WA | \$110,500 |
| JCI Jones Chemicals Inc | Tacoma, WA | \$152,000 |
| Item 4a – Sodium Hypochlorite (Primary Supply) | | |
| HASA Inc | Saugus, CA | \$643,500 |
| JCI Jones Chemicals Inc | Tacoma, WA | \$754,617.50 |
| Item 4b – Sodium Hypochlorite (Back-up Supply)* | | |
| HASA Inc | Saugus, CA | \$112,500 |
| JCI Jones Chemicals Inc | Tacoma, WA | \$125,095 |
| *The sodium hypochlorite back-up supplier cannot be the primary supplier per the specification requirements. | | |
| Item 5 – Aluminum Sulfate | | |
| Chemtrade Chemicals Corp | Parsippany, NJ | \$313,200 |
| Univar Solutions USA Inc | Kent, WA | \$375,600 |
| Newco Inc., dba Cascade Columbia Distribution Co. | Seattle, WA | \$384,600 |
| Kemira Water Solutions Inc | East Chicago, IN | \$469,800 |
| Item 6 – Aluminum Chlorohydrate | | |
| Northstar Chemical Inc | Sherwood, OR | \$185,600 |
| Kemira Water Solutions Inc | East Chicago, IN | \$199,400 |
| Alumichem Canada Ltd | Richmond, BC, Canada | \$240,000 |
| Chemtrade Chemicals Corp | Parsippany, NJ | \$392,000 |



Pre-bid Estimate: \$2,400,000

The recommended award is 14.5 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The specification described the City of Tacoma's Sustainable Procurement Policy, encouraging the use of products or services that help minimize environmental and human health impacts.

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 |
|---------------------------|-------------------------------|-----------------|--------------------------|
| 4600 Tacoma Water Fund | 583612/588363/ 583613 | 5216070 | \$2,748,595 |
| | | | |
| | | | |
| TOTAL | | | Up to \$2,748,595 |

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|----------------|-------------------------------|-----------------|------------------|
| Not applicable | | | |
| | | | |
| | | | |
| 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. N/A