



## RESOLUTION NO. U-11372

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.

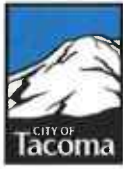
Approved as to form:

\_\_\_\_\_  
/s/  
Chief Deputy City Attorney

\_\_\_\_\_  
Chair  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Clerk

Adopted \_\_\_\_\_



City of Tacoma

PUB Resolution No.:

City Council Resolution No.:

U-11372

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**Contract and Award Letter  
Purchase Resolution —Exhibit "A"**

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**TO:** Board of Contracts and Awards  
**FROM:** Andy Cherullo, Director, Finance Department  
Patsy Best, Procurement & 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, Senior Buyer,  
Finance Department.  
**SUBJECT:** Citywide - Banking and Merchant Services, Request for Proposals Specification  
No. FI21-0101F, Contract No. CW2252749 March 8, 2023 Public Utility Board;  
March 21, 2023 City Council  
**DATE:** February 13, 2023

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**RECOMMENDATION SUMMARY:**

The Finance Department recommends a contract be awarded to JP Morgan Chase, Seattle, WA, in the amount of \$1,500,000, plus applicable taxes, budgeted from various funds, for an initial contract term of six years, for banking and merchant services.

**STRATEGIC POLICY PRIORITY:**

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

**BACKGROUND:**

Banking and merchant services are critical to the City of Tacoma. These services include, but are not limited to,

- Ability to receive payments from customers
- Make payments to vendors and other recipients
- Transact with credit cards and other payment methods
- Have access to depository services

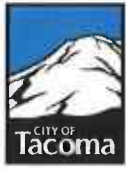
In addition to the services available with the current banking services provider, JP Morgan Chase has a product that may offer more payment options for our customers. This product will make it easier for customers to transact with the City by allowing them to:

- Pay their bills in multiple ways and/or from multiple locations
- Have websites for customers to make payments
- Provide more current digital payment options such as Google Pay and/or Apple Pay

In addition, from an administrative perspective; staff should be better able to track incoming payments which will help staff reconcile payments more efficiently.

**ISSUE:**

The City's current banking and merchant services contract is expiring at the end of 2023. A Request For Proposals (RFP) was issued to select a provider for banking and merchant services. The requirements in the RFP included:



- A bank be of sufficient size to safely handle the daily, weekly, and monthly flow of funds from City transactions
- Have great customer interfaces and services to make transacting with the City easier
- Have up-to-date on-line banking technology
- Have great customer service to resolve issues when they arise
- Have technology tools to provide better access for customers

**ALTERNATIVES:**

One alternative was to request a direct negotiation waiver for a new contract with our current provider. This was deemed to not be the best choice based on wanting to create competition on pricing and services to see if the City could improve services to our customers.

**COMPETITIVE SOLICITATION:**

Request for Proposal Specification No. FI22-0101F was opened June 28, 2022. Twenty-four companies were invited to bid in addition to normal advertising. Five submittals were received, and the below table reflects the final scoring.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score</u>
<b>JP Morgan Chase</b>	<b>Seattle WA</b>	<b>337</b>
Wells Fargo	Seattle WA	333
US Bank	Seattle WA	323
Key Bank	Seattle WA	309
Bank of the West	Oakland CA	302

**COMPETITIVE ANALYSIS:**

CONTRACT HISTORY: New Contract

**SUSTAINABILITY:**

Five percent of the final scoring was reserved for Sustainability considerations.

**EQUITY IN CONTRACTING (EIC) COMPLIANCE:**

Five percent of the final scoring was reserved for Equity in Contracting 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			Up to \$1,500,000
<b>TOTAL</b>			<b>Up to \$1,500,000</b>

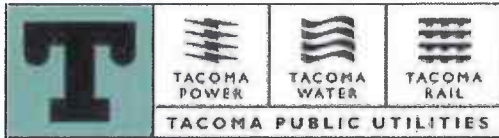
**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			Up to \$1,500,000
<b>TOTAL</b>			<b>Up to \$1,500,000</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** Approximately \$750,000

**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-11372  
Item No.: 2  
Meeting Date: March 8, 2023

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**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  
Sharon Brophy, Business Services Manager, 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:** Flagging and Traffic Control Services  
Request for Bids Specification No. TU22-0361F – February 8, 2023 Public Utility  
Board  
**DATE:** January 23, 2023

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**RECOMMENDATION SUMMARY:**

Tacoma Power, in conjunction with Tacoma Water and Tacoma Rail, recommends contracts be awarded to Advanced Government Services, Inc., Tacoma, WA, in the amount of \$2,061,531.50, and O-K Traffic Control Services LLC, Chehalis, WA, in the amount of \$150,000, plus applicable taxes, budgeted from the Tacoma Power, Tacoma Water, and Tacoma Rail funds, for an initial contract term of three years with the option to renew for two additional one-year periods, for a combined projected contract amount of \$3,768,081.09, plus applicable taxes, for flagging and traffic control services on an as-needed basis.

**BACKGROUND:**

This contract will provide qualified traffic control flaggers, traffic control plans, equipment, and the required transportation to assist the work forces of Tacoma Public Utilities (TPU). The work may be performed within right-of-ways of private, county, city, highway, and limited access freeway roadways.

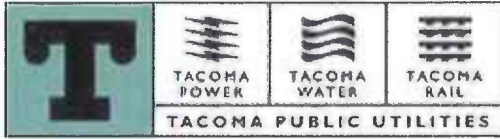
**ISSUE:** To ensure a sufficient number of personnel are available to support TPU Divisions traffic control and flagging services needs, two contracts are historically awarded. The alternate contract is utilized only in the event that the primary contractor does not have sufficient resources to fulfill all flagging personnel requests.

**ALTERNATIVES:** Traffic control and flagging services could be procured by executing an agreement based on another local entities existing contract. This would result in increased costs, as the services would not be specific to TPU's requirements, and negatively effect service time and project timelines.

**COMPETITIVE SOLICITATION:**

Request for Bids Specification No. TU22-0361F was opened December 27, 2022. Three companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

Advanced Government Services 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>
Advanced Government Services, Inc.	Tacoma, WA	\$2,061,531.50
O-K Traffic Control LLC	Chehalis, WA	\$2,268,234.20
Hughes Group LLC	Tacoma, WA	\$2,562,381.31

Pre-bid Estimate: \$1,900,000

The recommended award is 8.5 percent above or below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Not applicable.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: There are no EIC requirements for these services contracts. The recommended primary contractor is a certified DBE and MWBE.

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
4700 Tacoma Power	Various	Various	\$1,503,841.42
4600 Tacoma Water	Various	Various	\$663,459.45
4500 Tacoma Rail	Various	Various	\$44,230.63
<b>TOTAL</b>			<b>Up to \$2,211,531.50</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Power Sales	Various	Various	\$1,503,841.42
Water External Services	Various	Various	\$663,459.45
Rail External Services	Various	Various	\$44,230.63
<b>TOTAL</b>			<b>Up to \$2,211,531.50</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$1,412,923

**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-11372  
Item No.: 3  
Meeting Date: MARCH 8, 2023

**TO:** Board of Contracts and Awards  
**FROM:** Chris Robinson, Tacoma Power  
Joseph A. Wilson, Transmission & Distribution  
Eric Green, Construction & Maintenance  
Don Ashmore, Fleet Manager, Fleet Services  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP  
Coordinator, and Erica Pierce, Finance/Purchasing  
**SUBJECT:** Auction Services (Including Direct Sales)  
NCPA Contract No. 02-129 – SR 3514342224 – March 8, 2023  
Public Utility Board  
**DATE:** February 13, 2023

**RECOMMENDATION SUMMARY:**

Tacoma Public Utilities (TPU) Fleet Services recommends a contract be awarded to J.J. Kane Auctioneers, Maple Shade, NJ, in the amount of \$1,875,000, plus applicable taxes, budgeted from the Department of Public Utilities for the Power, Water and Rail Divisions and the Fleet Services Fund, for an initial contract term of February 1, 2023 through April 30, 2025, with the option to renew for two additional one-year terms, for a projected contract amount of \$3,125,000, plus applicable taxes, for auctioneer services for surplus vehicles and equipment including direct sales from consignee equipment on an as-needed basis. The auction proceeds are for an undetermined amount deducted directly from the sale proceeds.

**BACKGROUND:**

This contract is for auctioneer services for Fleet equipment/vehicles from workgroups across all TPU divisions that are declared surplus based on replacement guidelines, specific maintenance issues, changes in technology, changes in work needs, etc. We utilize this contract primarily for sale of surplus medium to heavy duty and specialized equipment.

This contract also provides the opportunity for direct sales from consignee equipment to TPU as a government agency. Over the past two years, Fleet has experienced unprecedented short ordering cut off dates, order delays and even order limits issued to dealers from vehicle and equipment manufacturers.

Fleet Services often needs to meet our customer's requirements for used vehicles and equipment within a short time frame and at a low cost. These requests are frequently for unexpected, short-term applications that can be met with used equipment or vehicles rather than new. There is no guaranteed or minimum purchase requirement.

**ISSUE:**

Purchasing Ordinance 26914, item 1.06.271 authorizes the sale of surplus personal property by auction when in the best interest of the City. This approval is for an unspecified amount per Section XXIV.F.C.11 of the Purchasing Policy Manual also states, "For surplus property valued over \$200,000 to be sold through auction, it is not practical to obtain approvals by the City Council or Public Utility Board prior to actual sales; therefore, general approval by the governing body shall be sought at the time the contract for auction services is approved."





This contract will allow Fleet Services to procure reliable equipment while significantly reducing the time and cost of acquisition. Standard procurement methods essentially prohibit the City from successfully obtaining used equipment and vehicles due to the rapidly changing used equipment environment.

**ALTERNATIVES:**

Not utilizing this cooperative contract for these services would require us to develop our own request for bid specifications for a contract or conduct our own surplus bids on an ongoing as-needed basis, which would be cost prohibitive and likely not reach as broad an audience of potential buyers.

**COMPETITIVE SOLICITATION:** National Cooperative Purchasing Alliance (NCPA) Auction Services Contract No. 02-129 which is a competitively solicited contract valid April 19, 2022 through April 30, 2025 with the option to extend for two additional one-year terms. NCPA conducted a Request for Proposals, Specification No. 13-22 and four submittals were received on March 24, 2022.

This contract meets Tacoma's competitive solicitation requirements by means of a cooperative purchasing agreement with NCPA. Purchasing through this cooperative contract provides the City increased savings by pooling resources to leverage the market through volume discounts.

The vendor charges commission of 6% of the gross equipment sale and transport fees which are deducted directly from the sale proceeds and we are not billed for them. We will be provided a sale distribution report as items are sold from the vendor.

An additional benefit on this cooperative contract is the vendor is a division of Altec Industries, Inc. and we will earn 3% incentive based on our gross sales which will be credited to our account and can be used for products and services needed for our fleet of Altec equipment (aerial and digger derrick trucks).

**CONTRACT HISTORY:** New contract.

**SUSTAINABILITY:**

Vehicles and equipment sent to auction are sold for re-use or repurpose extending the lifecycle of existing resources and helps to reduce waste. TPU Fleet Services strives to find alternate solutions to electrify, diversify fuel use and update our fleet to reach environment and sustainability goals within the City while continuing to make safety and reliability a top priority.

**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	5641500	\$1,125,000
4600 – Tacoma Water	Various	5641500	\$562,500
4500 – Tacoma Rail	Various	5641500	\$187,500
<b>TOTAL</b>			<b>Up to \$1,875,000</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Tacoma Power	Various	5641500	\$1,125,000
4600 – Tacoma Water	Various	5641500	\$562,500
4500 – Tacoma Rail	Various	5641500	\$187,500
<b>TOTAL</b>			<b>Up to \$1,875,000</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,250,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

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