



RESOLUTION NO. U-11384

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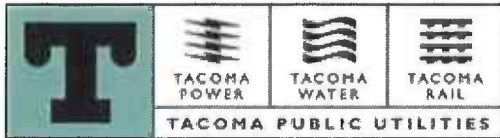
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BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

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:

_____	_____
<i>/s/</i>	Chair
Chief Deputy City Attorney	_____
	Secretary
_____	Adopted _____
Clerk	



Resolution No.: U-11384
Item No.: 1
Meeting Date: MAY 24, 2023

TO: Board of Contracts and Awards
FROM: Jackie Flowers, TPU Director of Utilities,
Daniel Drennan, Senior Manager, Market Research & Development
Holly Lucht, Senior Market Research Analyst, TPU Public Affairs &
Communications/Market Development
COPY: Public Utility Board, Board Clerk, EIC Coordinator, LEAP Coordinator, and
Brandon Snow, Senior Buyer Finance/Purchasing
SUBJECT: Increase and extend the contract with Escalent, for Customer Experience and
Satisfaction Tracking Research Services,
Direct Negotiations Waiver, Contract No. CW2230350 – May 24, 2023 Public
Utility Board
DATE: May 2, 2023

RECOMMENDATION SUMMARY:

Public Affairs & Communications (PAC), Tacoma Public Utilities (TPU) requests approval to increase Contract CW2230350, to Escalent Inc., Livonia, MI, by \$480,500, plus applicable taxes, budgeted from the 4700 Power fund, for a continuation of customer experience and satisfaction tracking services. This increase will bring the contract to a cumulative total of \$970,500, plus any applicable taxes. Additionally, PAC seeks an extension of the contract term for another four-year renewal period for a project completion date of March 31, 2027.

STRATEGIC POLICY PRIORITY:

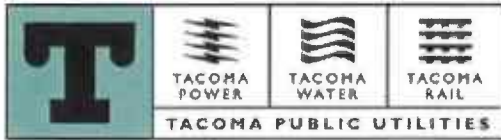
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

PAC was granted a waiver to directly negotiate a continuation of services with Escalent Inc., in June of 2019, for the on-going development and provisions of a customer satisfaction tracking program, as well as to conduct studies to assess customer perceptions of various organizational performance measures, communications, and programs to help ensure positive customer experience. Approval was granted by the Public Utility Board in Resolution No. U-11080 dated June 26, 2019. Services with Escalent (formerly MSI) were originally procured through an RFP process conducted in 2014 and selected because of their expertise in customized market research, in-depth utility industry knowledge, full in-house data collection, research sciences department, and robust utility benchmarking capabilities. A suite of services offered by only two national firms.

ISSUE:

Escalent worked with TPU to create a tailored satisfaction and tracking program for both residential and commercial customers. The customer satisfaction tracking serves as a key performance indicator for Power, Water, and Customer Services, as well as the Director of Utilities and the Public Utility Board to assess performance and emerging customer needs. Uninterrupted delivery of this information is critical during this period of transformation and



improvement of the Utility's customer experience. PAC seeks approval to purchase the continuation of services with Escalent Inc. over another four-year term.

ALTERNATIVES:

Escalent is one of two known research companies that offer nationwide benchmarking across a broad sample of utilities.

Public Affairs & Communications could conduct a new RFP process to again seek these services. The RFP process would likely result in a gap in delivery of data related to key performance indicators for the Utility. If a new vendor were also to be selected, the Utility could incur new set-up costs as a new vendor was brought up-to-speed with TPU needs, learned our market, and developed a new customer surveying plan according to their processes. In addition, reporting from a new vendor would not include historical trending data provided by the current research vendor; which utility leadership relies upon for reporting purposes in support of business unit goals, strategic directives, and other key performance indicators.

After consulting with City Purchasing, the recommendation is to amend the current contract for a final extension. PAC intends to conduct a new RFP prior to the completion date of the proposed extension. This will allow proper hand-off, data collection, and overlap between vendors, minimizing risk and costs should another vendor be the awardee, and ensuring there is no gap in critical services for the Utility.

COMPETITIVE ANALYSIS:

Escalent's unique services and position in the market was the basis for the direct negotiation waiver and provides the on-going basis, as the best and most cost efficient vendor, for the critical services they provide at this time.

Since 2014, Escalent Inc. has provided quantitative and qualitative research services to TPU. Originally selected through a competitive RFP process in 2014, Escalent (formerly MSI) was the only vendor that offered unique, tailored research capabilities and benchmarking across a broad sample of similar utilities including multiservice providers.

Escalent provides critical research services to TPU, including historical trending data that is used for TPU's Key Performance Indicators, strategic directives, Director of Utilities work plans, and utility performance benchmarking. Customer assessments and evaluations are used to measure the performance of TPU to determine priorities for organizational actions and investments in operations, training, communications, and product/service offerings or improvements.

Escalent has over 95 utility clients nationally and provides research services to many comparable utilities including several in the region. As a result of its utility clients, Escalent has demonstrated a distinct competitive advantage in its services to TPU. Being able to provide extensive benchmarking rankings which help identify areas for improvement and inform key strategic decisions regarding customer experience improvements and investments. Escalent has in-depth utility industry knowledge, full in-house data collection capabilities, and a research



sciences department; thus they are able to provide a continuity of service, ad hoc data requests as well as impactful results.

Moreover, Escalent is a recognized leader and expert in providing customized market research for the utility industry. There are extremely few vendors that offer this level of industry expertise and tailored services. TPU leadership has placed customer experience and value as a strategic imperative, and Escalent’s services are critical to ensure representative customer input regarding utility performance and areas for improvement are included in ongoing strategic initiatives.

CONTRACT HISTORY: This contract was originally awarded to Escalent (formerly MSI), through direct negotiations, resulting in contract No. CW2230350 effective June 26th, 2019.

PAC seeks Amendment No. 1 to CW2230350 to allocate additional funding and extend the performance date to March, 31, 2027.

SUSTAINABILITY: Escalent Inc. has demonstrated broad alignment with City sustainability related resolutions, proclamations, and ordinances. They are a committed partner in helping Utilities across North America achieve sustainability goals and champion utility efforts in the Environmental, Social, and Governance (ESG) holistic framework for sustainable investments.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable.

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

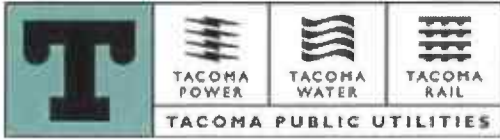
FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 Power	572000	Prof Services	\$970,500
TOTAL			Up to \$970,500

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 Power	572000	Prof Services	\$970,500
TOTAL			Up to \$970,500



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$480,500

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-11384
Item No.: 2
Meeting Date: MAY 24, 2023

TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO
Chris Mattson, Power Section Manager, Generation
Ram Veeraraghavan, Senior Manager, Generation
Maryanne Zukowski, Engineering Project Manager, Generation
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Finance/Purchasing
SUBJECT: Engineering Consultant Services
Architectural and Engineering (A&E) Roster, Contract No. CW2239823
May 24, 2023, Public Utility Board
DATE: April 5, 2023

RECOMMENDATION SUMMARY:

Tacoma Power requests approval to increase Contract No. CW2239823 to Kleinschmidt Associates, Redmond, WA by \$316,000, plus applicable taxes, budgeted from the 4700-Power Fund for additional engineering services for the Mayfield Dam Juvenile Bypass Alternative Selection Means and Methods 25 Percent Design. The effort is required to define a build alternative for a future capital construction project. The contract amendment is needed to continue deployment of detailed engineering design and associated technical reports. This increase will bring the contract to a cumulative total of \$816,000, plus applicable taxes.

STRATEGIC POLICY:

- Assure outstanding stewardship of the natural and built environment.

BACKGROUND:

In 2018, Tacoma Power prepared the Cowlitz Project Mayfield Downstream Adaptive Management Plan (AMP) to address the goals for the Mayfield facility to achieve a Fish Passage Survival (FPS) rate of 95 percent as part of Article 2 of the license issued for the Cowlitz River Project Federal Energy Regulatory Commission (FERC) No. 2016 dated July 18, 2003. The AMP identified several milestones and approaches to achieve our licensing requirements.

In 2020, Tacoma Power entered into a contract for engineering consultant services with R2 Resource Consultants, Inc. (R2) for the Mayfield Dam Juvenile Bypass Hydraulic Evaluation, Alternative Analysis, and Alternative Development. In 2021, R2's rights and obligations were assigned to Kleinschmidt Associates and completed the Mayfield Dam Juvenile Bypass Evaluation – Alternatives Evaluation Report identifying six potential capital improvement alternatives. In 2023, Tacoma Power identified two alternatives to evaluate further to distinguish a preferred alternative to move forward into design and construction. Tacoma Power is currently contracted with Kleinschmidt Associates in this effort.

ISSUE: The design services will focus on the final selection of a capital project to move forward in design and construction. This effort is an important step to assist in achieving the 95 percent FPS rate license goals for our FERC licensing requirements.



ALTERNATIVES: Tacoma Power could issue a Request for Qualifications (RFQ) and advertisement for Engineering Services. It was determined that we will solicit firms after completion of this phase of Means and Methods 25 Percent Design which vets out which alternative should move forward into final design and construction.

COMPETITIVE ANALYSIS:

The City's Architectural and Engineering (A&E) roster was utilized to select the firm R2, based on qualifications, experience, and expertise pursuant to Chapter 39.80 RCW. Four consulting firms were initially ranked based on qualifications. The City negotiated scope and fee for the initial phase with the highest-ranking consulting firm, then entered into a professional services contract. R2 entered an Assignment, Assumption and Consent wherein R2's rights and obligations under the contract were assigned to and accepted by Kleinschmidt Associates. To date, the contract has been amended to continue progress on the selection of a build alternative for PWR-09119 Mayfield Downstream Collection System at the Mayfield Dam by Kleinschmidt Associates.

The alternative analysis studies and pre-planning phase completed initial work evaluating various high-level solutions to fish passage improvements at the Mayfield Dam. This was initiated due to survival rates for Coho Salmon only at 50 percent. In these types of projects initial investments are made to support moving forward with a smaller set of solutions. We are ready to move forward from the initial investments of several alternatives to evaluate fully two alternatives.

Scope and fee for this next stage of work to evaluate two alternatives for fatal flaws have been under negotiation for approximately three and a half months. Initial negotiations were targeted to be below the \$500,000 threshold. It was determined that we needed to move forward with additional investment in scope and budget to evaluate and vet fatal flaws as well as support a continuing investment for a selected construction project. The additional work designs two alternatives to 25 percent and completes supporting technical reports.

The existing consulting contract firm has the qualifications, history, and expertise. Ultimately, this increase in deliverables further analyzes feasibility and costs for future design and construction efforts with a fully vetted selected alternative. This best fits the purpose and need of meeting the goals of our FERC license requirements. This effort is an important step to assist in achieving the 95 percent FPS rates.

CONTRACT HISTORY: This contract was originally awarded to R2 from the Citywide A&E Roster in conformance with Chapter 39.80 RCW, Tacoma Power and R2 entered contract, December 1, 2020. The purpose was for engineering consultant services of the Mayfield Dam Juvenile Bypass System Hydraulic Evaluation, Alternative Analysis, and Alternatives Development, in the not to exceed amount of \$150,000.

Tacoma Power and R2 entered Amendment No. 1 to the contract, for the purpose of applying the updated rate schedule effective January 1, 2021.

R2 entered an Assignment, Assumption and Consent wherein R2's rights and obligations under the contract were assigned to and accepted by Kleinschmidt Associates effective January 1, 2021.



Tacoma Power and Kleinschmidt Associates entered Amendment No. 2 of the contract, for the purpose of extending the time of performance and termination date of December 31, 2022, to December 31, 2024, and to correspondingly increase the compensation under the contract by \$100,000 for a new not to exceed amount of \$250,000.

Amendment No. 3, effective January 2023, was issued for the purpose of increasing the compensation under the contract by \$250,000 for a new not to exceed amount of \$500,000 to be paid in accordance with the updated rate schedule.

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 Fund	PWR-09119	6311221	\$316,000
TOTAL			Up to \$316,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700-Power Fund	PWR-09119	6311221	\$316,000
TOTAL			Up to \$316,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$316,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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