



RESOLUTION NO. U-11411

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.:

U-11411

City Council Resolution No.:

1

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

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, Purchasing
Manager, Finance Department.
SUBJECT: Citywide – Asphalt and Concrete Paving and Associated Services
Request for Bids Specification No. CT23-0087F, Contract No. CW2260713 –
October 25, 2023 Public Utility Board and October 31, 2023 City Council
DATE: October 5, 2023

RECOMMENDATION SUMMARY:

The Finance Department recommends a contract be awarded to AA Asphaltting, LLC, Sumner, WA, in the amount of \$5,783,216.00, plus 15 percent contingency, plus applicable taxes, budgeted from various funds, for an initial contract term of three years, with the option to renew for one additional one-year term, for a projected contract amount of \$6,650,698.40, for on-call asphalt and concrete paving and associated services.

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:

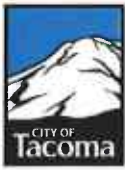
This citywide contract provides for as-needed general street repair services and street and sidewalk repairs due to utility cuts and incidental pavement restoration for multiple city departments including Tacoma Water, Tacoma Power, Environmental Services and Public Works. The individual repairs generally do not exceed \$35,000.00. Combining individual department needs allows the city to leverage its purchasing power and having a single contract in place affords the city agility in responding to unpredictable needs.

ISSUE: The existing contract for these services will expire at the end of the year and the absence of a contract would be highly disruptive to the operations of user departments.

ALTERNATIVES: Extending the existing contract is not an option as RCW places a limit on the term of such contracts so the only alternative would be to not have a contract in place. This option would result in each project needing to be individually bid and result in slower project completions and higher costs.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. CT23-0087F was opened August 29, 2023. One hundred eighty-six companies were invited to bid in addition to normal advertising of the project. Three submittals were received.



AA Asphaltting, LLC submitted a bid that resulted in the lowest evaluated submittal after consideration of Equity in Contracting participation goals. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>	<u>Evaluated Submittal</u>
AA Asphaltting, LLC	Sumner, WA	\$5,783,216.00	\$5,783,216.00
Asphalt Patch Systems, Inc	Puyallup, WA	\$6,494,777.00	\$6,494,777.00
Flagstone Construction LLC	Sumner, WA	\$6,952,650.00	\$6,952,650.00

Pre-bid Estimate: \$1,500,000.00 - \$2,000,000.00 annually, for a contract total over the three years of \$4,500,000.00 - \$6,000,000.00.

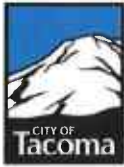
The recommended award is aligned with the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: The City's Sustainable Procurement Policy and Climate Action Plan were included in the specifications.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the EIC requirements per memorandum dated September 1, 2023. The EIC requirements for this project are (MBE 10 percent, WBE nine percent and SBE 19 percent). The EIC utilization levels of the recommended contractor, AA Asphaltting, LLC, Sumner, WA, are (MBE 19.06 percent, WBE 10.37 percent, and SBE 19.06 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
Various	Various		\$6,650,698.40
TOTAL			Up to \$6,650,698.40

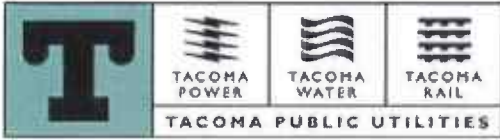
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various	Various		(\$6,650,698.40)
TOTAL			Up to (\$6,650,698.40)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Approximately \$1,700,000.00

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- 11411
Item No.: 2
Meeting Date: OCTOBER 25, 2023

TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO
Chris Mattson, Generation Manager
Ozan Ferrin, Generation Engineering Manager
Bizhan Hooman, Power Systems Engineer
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Finance/Purchasing
SUBJECT: LaGrande U1-4 and Mossyrock U51-52 Exciter Replacement, Sole Source
Waiver, Contract No. CW2255041 – October 25, 2023 Public Utility Board
DATE: September 20, 2023

RECOMMENDATION SUMMARY:

Tacoma Power Generation requests a waiver of competitive procurement procedures and recommends that a contract be awarded to Reivax North America, Inc. (Reivax), Montreal, QC, Canada, for LaGrande U1-4 and Mossyrock U51-52 Excitation System supply, in the amount of \$550,000, plus applicable taxes, budgeted from the Power Fund – 4700.

BACKGROUND:

In 2014, in response to Request for Proposals Specification No. PG14-0331F, Reivax was awarded a multi-year contract to replace 11 excitation systems. A separate contract was also awarded to Reivax to supply a single excitation system through a competitive solicitation process under Specification No. PG14-0298F. The excitation system is an essential component for the reliable operation of a synchronous electric generator. It is the key component for regulating the generator's voltage and responding to system disturbances.

ISSUE: The existing excitation systems for LaGrande U1-4 and Mossyrock U51-52 are beyond the typical service life. Replacement parts and service are becoming more difficult to source.

ALTERNATIVES: One alternative to replacing the excitation systems as planned is to defer replacement into the future. The most significant risk with this alternative is an unplanned generator outage resulting in emergency repair or replacement costing.

A second alternative is to competitively solicit replacement equipment. Such an alternative brings the possibility of multiple manufacturer's equipment installed throughout Tacoma Power's fleet of generators.

The recommended option is preferable to Tacoma Power because the planned replacement of ageing equipment decreases the risk of unplanned and emergency outages, and the standardization on a single manufacturer's equipment brings familiarity of operation and maintenance, standard spare parts, and a single contract service option.

COMPETITIVE ANALYSIS:

Currently, 13 of Tacoma Power's 21 synchronous electric generators have a Reivax excitation system. Since the first install in 2015 the Reivax excitation systems have been very reliable and service from the vendor has been excellent. Standardization on Reivax equipment brings familiarity to operations, maintenance and engineering staff leading to lower total lifecycle



costs, as well as reducing unknown risk associated with deployment and integration of new equipment.

Pricing under the sole source waiver was directly negotiated with the vendor and compared against pricing from past competitive solicitations. Pricing was also compared against a budgetary estimate received from another vendor for a similar scope of supply. Tacoma Power is confident the City is receiving competitive pricing.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The replacement of these six excitation systems ensures the continued reliable operation of Tacoma Power’s clean, renewable hydroelectric generators in support of the City’s commitment to address the climate emergency per Resolution No. 40509.

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-01187	6311221	\$360,000
4700-Power Fund	PWR-01182	6311221	\$190,000
TOTAL			Up to \$550,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700-Power Fund	PWR-01187	6311221	(\$360,000)
4700-Power Fund	PWR-01182	6311221	(\$190,000)
TOTAL			Up to (\$550,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$100,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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