



RESOLUTION NO. U-11462

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-11462
City Council Resolution No.: /

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

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance
 Patsy Best, Procurement and Payables Division Manager, Finance
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
 City Clerk, EIC Coordinator, LEAP Coordinator, and Carly Fowler, Finance
 Department.
SUBJECT: Retail Lockbox Services
 Request for Proposals Specification No. FI21-0595F, Contract No. CW2246632 -
 July 10, 2024 Public Utility Board and July 23, 2024 City Council
DATE: June 10, 2024

RECOMMENDATION SUMMARY: The Finance Department requests approval to increase Contract No. CW2246632, with Retail Lockbox Inc, Seattle, WA, by \$400,000, plus applicable taxes, budgeted from various funds, for adding Clover receipting system for Tagro. This increase will bring the contract to a cumulative total of \$1,000,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

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

BACKGROUND: Retail Lockbox Inc currently provides lockbox services for the City of Tacoma. Lockbox processing services include processing checks that are mailed to City (depositing the checks electronically and preparing a file for posting). They have been the City's lockbox services provider for well over 20 years.

Tagro has been searching for a point-of-sale collection system for the pad where they sell the Tagro products to customers. Retail Lockbox Inc has offered a Clover point-of-sale option that the City has explored and Tagro is interested in implementing to make accepting payments from customers more efficient. The system will provide for smoother payment processing and better controls/security over credit card data.

ISSUE: Tagro has been using a point-of-sale system that at this point is at end of life and the current vendor is no longer supporting this type of product. Without a new point-of-sale system, Tagro would be unable to accept credit card payments for the Tagro products being sold.

ALTERNATIVES: The alternative to using a point-of-sale system is to not use a point-of-sale system. This means Tagro would be solely cash based and all customers purchasing Tagro products would need to have cash on hand. This option is far less expensive as this could be done without the complex receipting system being offered, but this does not provide good customer service to those purchasing Tagro products as it limits the payment options available. It is the Finance Department's recommendation to provide the best customer service due to today's society being very focused on alternatives to cash when making payment.



COMPETITIVE SOLICITATION: Request for Proposals Specification No. F121-0595F opened October 12, 2021. Two companies were invited to bid in addition to normal advertising of the project. One submittal was received and a contract was awarded to the sole submitter.

CONTRACT HISTORY: This contract was originally awarded to Retail Lockbox Inc as a result of F121-0595F in September 2021. The City completed one prior amendment to the contract to increase both the Scope of Work and the not to exceed amount. This will be the City's second amendment to the contract.

SUSTAINABILITY: Five percent of the total award was reserved for consideration of sustainability.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: **Not applicable - Service contract - EIC Regulations are not yet established**

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			\$400,000
TOTAL			Up to \$400,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			(\$400,000)
TOTAL			Up to (\$400,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$400,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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



City of Tacoma

PUB Resolution No.: U-11462
City Council Resolution No.: 2

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

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance
Patsy Best, Procurement and Payables Division Manager, Finance
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Carly Fowler, Finance
Department.
SUBJECT: Wells Fargo Merchant Services
Request for Proposals Specification No. F113-0360F, Contract No. CW2231733 -
July 10, 2024 Public Utility Board and July 23, 2024 City Council
DATE: June 10, 2024

RECOMMENDATION SUMMARY: The Finance Department requests approval to increase and extend CW2231733, with Wells Fargo, Seattle, WA, by \$1,000,000, plus applicable taxes, budgeted from various funds, extending the contract by six years to March 31, 2030, for merchant services. This increase will bring the contract to a cumulative total of \$3,500,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

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

BACKGROUND: Wells Fargo has provided credit card processing services for the City of Tacoma since 2014. There are dozens of technology integrations across the City that are configured to process credit card transactions through Wells Fargo. This is a critical service for City operations and provides departments with the ability to accept credit card payments.

ISSUE: In 2022, the City did a competitive solicitation for banking and credit card processing services as the final contract extension with Wells Fargo was concluding. Chase was awarded the contract and in 2023 all banking services, as well as credit card processing services, were switched over. After six months of service issues and increased costs, the city terminated the credit card processing agreement with Chase while continuing the banking services. Going back to Wells Fargo for credit card processing saved the City time and money and has resolved the multiple service issues that were experienced.

ALTERNATIVES A request for proposal for merchant services could be conducted but that would disrupt credit card processing for all City departments that accept this type of payment option.

CONTRACT HISTORY: The City entered the original contract with Wells Fargo on January 1, 2014 for banking and merchant services. Amendment No. 1 was entered into on January 1, 2020 which used the first two-year extension and increased the total contract value to \$1,500,000. Amendment No. 2 was entered into on January 1, 2022 using the second and final two-year extension and increasing total contract value to \$2,300,000. Amendment No. 3 was entered into on December 31, 2023 to extend the contract a few months to March 30, 2024 as



a temporary extension to avoid interruption of service as services were transferred to another provider and increase the contract total to \$2,500,000.

SUSTAINABILITY: Five percent of the total award was reserved for consideration of sustainability.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: **Not applicable - Service contract - EIC Regulations are not yet established**

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			\$1,000,000
TOTAL			Up to \$1,000,000

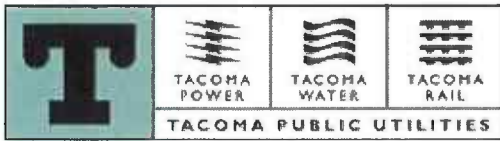
REVENUES:

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

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

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-11462
 Item No.: 3
 Meeting Date: JULY 10, 2024

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director – Superintendent, Power
 Joseph A. Wilson, Transmission & Distribution (T&D) Section Manager, Power
 Mike Allen, Substation Engineering Manager, Power – T&D Engineering
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
 Coordinator, and Aaron Bratton, Senior Buyer, Finance/Purchasing
SUBJECT: Outdoor Walk-In Metal-Clad Switchgear
 Request for Proposals Specification No. PT23-0100F, CW2264573 – July 10,
 2024 Public Utility Board
DATE: June 18, 2024

RECOMMENDATION SUMMARY: Tacoma Power recommends a contract be awarded to Myers Power Products, Inc., Ontario, CA, in the amount of \$5,752,787, plus applicable taxes, budgeted from the Tacoma Power Capital Budget, for an initial contract term of three years with the option to renew for two additional one-year terms, for a projected contract amount of \$5,752,787, plus applicable taxes, for 15 kV class outdoor walk-in metal-clad switchgear.

BACKGROUND: Metal-clad switchgear serves as the point of distribution for electrical service from substations, including protection of said distribution circuits. Procurement of 15 kV metal-clad switchgear is critical for the replacement of assets nearing the end of service life and for the installation of new substations.

ISSUE: Tacoma Power anticipates installing 15 kV class metal-clad switchgear at up to four substations within the initial three-year contract term. Two of the installations are intended to serve new or expanding commercial/industrial customers.

ALTERNATIVES: Tacoma Power could use open-air 15 kV buswork and a separate control building as an alternative to walk-in metal-clad switchgear. Tacoma Power has standardized on the use of walk-in metal-clad switchgear for many years. Changing to open-air buswork would require changes to construction and maintenance standards and a new bid specification and Request for Proposals process.

COMPETITIVE SOLICITATION: Request for Proposals Specification No. PT23-0100F was opened August 29, 2023. Fifteen companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

<u>Respondent</u>	<u>Location</u>	<u>Score</u>
Myers Power Products, Inc.	Ontario, CA	81
Siemens Industry, Inc.	Wendell, NC	74
JST Power Equipment*	Lake Mary, FL	

* JST Power Equipment was disqualified from consideration due to a lack of requisite domestic market experience.

CONTRACT HISTORY: This is a new contract.



SUSTAINABILITY: Sustainability efforts of the proposers were a five percent factor in the evaluation process.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: **Not applicable - Supply purchase - EIC Regulations are not yet established**

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Capital Budget (4700)	Various	5220100 (Operating Supplies)	\$5,752,787
TOTAL			Up to \$5,752,787

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Capital Budget (4700)	Various	5220100 (Operating Supplies)	\$(5,752,787)
TOTAL			Up to \$(5,752,787)

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-11462
Item No.: 4
Meeting Date: JULY 10, 2024

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director – Superintendent, Power
Val Sherman, Deputy Manager, Environmental Health & Safety, Power
James Bozic, Regulatory Compliance Analyst, Principal, Power
COPY: Tacoma Power, Public Utility Board, Director of Utilities, Board Clerk, EIC
Coordinator, LEAP coordinator, and Aaron Bratton, Finance/Purchasing.
SUBJECT: Incident Response and Clean-Up
Contract No. 4600015099, July 10, 2024 Public Utility Board
DATE: June 18, 2024

RECOMMENDATION SUMMARY: Tacoma Power's Environmental Health & Safety section (Power) requests approval to increase the Republic Service Contract No. 4600015099, to National Response Corporation Environmental Services Inc (NRC), by 500,000, plus applicable taxes. This is budgeted from the Tacoma Power budget and will be funded by different Tacoma Public Utility divisions depending upon need for services. This contract is used for emergency spill response and routine remediation activities for impacted properties across all of Tacoma Public Utilities divisions. This increase will bring the contract to a cumulative total of \$1,000,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Assure outstanding stewardship of the natural and built environment.

The NRC contract is a critical tool for managing emergency response and remediation efforts. Initially established in 2022, this contract has proven essential in responding to and addressing environmental incidents and was recently extended to 2028. Throughout Tacoma Public Utilities, Power is responsible for a diverse array of impacted sites, each requiring specific remediation actions mandated by law. These sites vary widely in terms of the nature and extent of contamination, necessitating a flexible and robust approach to remediation.

Power's experience under this contract includes responding to numerous unplanned spills. These incidents occur without warning, demanding immediate action to mitigate environmental damage and protect public health. The NRC contract has enabled Power to mobilize resources quickly and provide the necessary emergency support to contain and remediate spills effectively.

BACKGROUND: In support of Tacoma Public Utilities operations, Power is requesting an increase to the NRC service. One of the challenges inherent in this line of work is the unpredictability of such incidents. Unforeseen events can arise at any time, often requiring substantial financial resources to address. For example, a major spill might necessitate extensive cleanup efforts, involving specialized equipment, skilled personnel, and prolonged remediation activities. A major spill can consume a large portion of the contract value.

In summary, this increase is vital for Power's ability to respond to environmental emergencies and fulfill Power's legal obligations for site remediation across Tacoma Public Utilities.



Increasing the value of this contract ensures that Power can continue to address both planned and unexpected incidents with the necessary urgency and efficiency.

ISSUE: Currently, approximately 80 percent of the current contract value has been exhausted. Based upon usage rates, all of the contract value is projected to be consumed during the 2024 year. With the risk of having unforeseen spills and remediation work, Power is at risk to not being able to perform the function to ensure that the City of Tacoma is able to respond these types of emergency situations.

ALTERNATIVES: Establish a new additional full-time employee position dedicated to emergency spill response, and impacted Tacoma Public Utility site remediation efforts. This is not recommended based on the unplanned and highly variable nature of work, making it unrealistic to schedule employee availability.

This would also provide a delayed or no response to spill and remediation issues. Failure to respond, monitor, and provide required notifications for spills and required remediation would result in significant environmental impacts and regulatory violation.

COMPETITIVE SOLICITATION: Washington State Department of Enterprise Services was competitively bid through 09321-02 Emergency Response to Hazardous Materials. The current term is valid through May 26, 2028. Through an interlocal cooperative purchasing agreement, the City will purchase the needed services at the prices, term, and conditions of this contract. The ability to participate in cooperative purchasing through state contracts provides the City increased savings by pooling resources to leverage the market through volume discounts.

CONTRACT HISTORY: The NRC contract is a critical tool for managing emergency response and remediation efforts. Initially established in 2022, this contract has proven essential in responding to and addressing environmental incidents and was recently extended to 2028.

SUSTAINABILITY: This contract is designed to ensure Power's ongoing commitment to environmental stewardship in the areas Power serves. At Tacoma Public Utilities, Power manages a variety of impact sites, each necessitating specific, legally mandated remediation actions to support sustainability.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - EIC Exception: Interlocal/Cooperative Purchasing

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Contract will be funded by different Tacoma Public Utility Divisions depending upon need for service	Multiple	Multiple	\$500,000
TOTAL			\$500,000

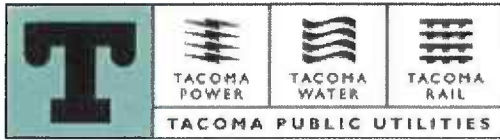
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Contract will be funded by different Tacoma Public Utility Divisions depending upon need for service	Multiple	Multiple	(\$500,000)
TOTAL			Up to (\$500,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED: Funds for this are available in the Tacoma Power budget and will be funded by different Tacoma Public Utility divisions depending upon need for services.



Resolution No.: U-11462

Item No.: 5

Meeting Date: JULY 10, 2024

TO: Board of Contracts and Awards
FROM: Dale W. King, Tacoma Rail Superintendent/Deputy Director, Utilities
 Kyle Kellem, Roadmaster, Tacoma Rail
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP Coordinator, and Sara Bird, Senior Buyer, Finance/Purchasing
SUBJECT: Tacoma Rail Annie Tracks 1 and 2 Track Upgrades
 Request for Bids Specification No. TR24-0066F, Contract No. CW2265958 – July 10, 2024 Public Utility Board
DATE: May 30, 2024

RECOMMENDATION SUMMARY: Tacoma Rail recommends a contract be awarded to RailWorks Track Systems, LLC, Chehalis, WA, in the amount of \$2,533,448.00, plus applicable taxes, budgeted from the Tacoma Rail 4500 Fund, for the removal and replacement of seven new track turnouts, two new crossovers, and other associated railroad track renewals.

STRATEGIC POLICY PRIORITY:

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.

BACKGROUND: Washington State Department of Transportation (WSDOT) awarded a zero-interest loan toward railroad track improvements on two Tacoma Rail tracks connecting to the North Intermodal Yard in the Port of Tacoma Tidelands vicinity, with Tacoma Public Utility Board acceptance approval December 13, 2023, through Resolution U-11428 and City Council approval January 9, 2024, through Resolution 41335.

ISSUE: Periodic replacement of frequently used segments of railroad track components are required to enhance safety and mitigate potential service interruptions resulting from deteriorated track conditions.

ALTERNATIVES: There are no practical alternatives. This project is consistent with ongoing incremental infrastructure improvements intended to reduce track maintenance outages necessary to prolong usability lifecycles. The planned project will greatly improve the track structure, safety, and reduce the frequency of future track outages.

COMPETITIVE SOLICITATION: Request for Bid Specification No. TR24-0066F was opened May 14, 2024. Three companies were invited to bid in addition to normal advertising of the project. Two submittals were received.

RailWorks Track Systems, LLC submitted a bid that resulted in the lowest evaluated submittal. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
RailWorks Track System, LLC	Chehalis, WA	\$2,533,448.00
Coast Rail, Inc.	Burley, WA	\$2,560,018.20



Pre-bid Estimate: \$2,500,000.00

The recommended award is approximately 1.3 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Replacing worn track switch turnouts and crossovers with new ones will help extend the useful lifespan and lessen the need for more frequent repairs or replacements.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - EIC Exception: Lack of certified contractors

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
4500 Tacoma Rail	RAL-00128	5320100	\$2,533,448.00
TOTAL			Up to \$2,533,448.00

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4500 Tacoma Rail	RAL-00129	5320100	(\$911,448.00)
WSDOT Loan Agreement RRB-128	RAL-00129	5320100	(\$1,622,000.00)
TOTAL			Up to (\$2,533,448.00)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,688,965.34

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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