



RESOLUTION NO. U-11520

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

19 Clerk

Chair

Secretary

Adopted _____



**Contract and Award Letter
Purchase Resolution – Exhibit “A”**

TO: Board of Contracts and Awards
FROM: Andrew Cherullo, Director, Finance Department
Pasty Best, Division Manager, Procurement and Payables
COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and
Brandon Snow, Senior Buyer, Finance/Procurement
SUBJECT: Increase Contract for Citywide On-Call Fencing Services
Request for Bid (RFB) Specification No. CT21-0699F, Contract No. CW2250344
- April 9, 2025, Public Utility Board and April 15, 2025, City Council
DATE: March 17, 2025

RECOMMENDATION SUMMARY: The Finance Department, Procurement and Payables Division (P&P) requests approval to increase Citywide Contract No. CW2250344, to Quality Fence Builders Inc., Auburn, WA by \$3,650,000, plus applicable taxes, budgeted from various departmental funds, for citywide on-call fencing installation, replacement, and repair services. This increase will bring the contract to a cumulative total of \$5,000,000, plus applicable taxes.

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 consistently maintained a citywide on-call fencing services contract for use by all City departments. This contract has ensured cost-effective and rapid access to critical services ensuring City departments may secure various publicly owned facilities and infrastructure and also protect employees, residents and rate payers from potential hazards.

The current contract for on-call fencing services was solicited early in 2022 via Request for Bids (RFB) CT21-0699F and resulted in a recommendation for award of two-contracts to fulfill the needs for fencing services. The recommended awardees were Secoma Fence, Inc and Quality Fence Builders Inc.

At this time, Secoma Fence, Inc has not executed a contract with the City. Procurement and Payables has executed a contract with Quality Fence Builders Inc with an initial value of \$1,350,000. The contract was effective January 1, 2023, for an initial two-year term, and had the contractual option for three, one-year renewals.

ISSUE: Contract No. CW2250344 with Quality Fence Builders Inc. has reached its contractual limit of \$1,350,000 as approved by City Council on November 22, 2022. To continue to provide these critical services for the remaining three option years the contract must be increased.

Procurement and Payables is recommending awarding an additional \$3,650,000 to cover the anticipated spending during the remaining life of the contract.

ALTERNATIVES: There are several potential alternatives to this request:



- 1) Approve a smaller amount of additional spending on the contract. This would allow the vendor to continue providing critical services, but additional increases may be needed in subsequent years.
- 2) Ask Procurement and Payables staff to request funding to only cover any “in-progress” projects and make the vendor whole for their services. At Council’s recommendation, P&P staff could then be directed to terminate the contract for convenience and/or to re-solicit the services.

The above listed alternatives are not recommended courses of action. The greater part of the work on this contract is for the repair and installation of fencing and gates used to protect publicly owned facilities and infrastructure or to protect employees and the public from entering hazardous structures or areas.

To limit use or cancel this contract would result in City and Utility departments being forced to procure these services independently and at less favorable terms and potentially exposing employees and public assets to unauthorized access and damage, and also leaving employees, residents, and rate payers exposed to harm longer than would otherwise be necessary if the current contract is funded and maintained.

Authorizing insufficient funding, and/or re-soliciting the services would result in duplicative staff time reproducing a well-functioning contract with little-to-no guarantee of better pricing.

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 deemed responsive.

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

<u>Respondent (RFB)</u>	<u>Location (city and state)</u>	<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 was the same as the pre-bid estimate.

CONTRACT HISTORY: This contract was originally awarded to Quality Fence Builders Inc. as a result of Request for Bids Specification No. CT21-0699F January 1, 2023, for an initial two-year term.



Amendment No.1 – Dated January 1, 2025 – Exercises the first of three optional renewals and extends the contract performance date to December 31, 2025.

Amendment No. 2 – Seeks to increase the authorized spending on the contract from \$1,350,000 by \$3,650,000 to a new not to exceed amount of \$5,000,000.

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			\$3,650,000
TOTAL			Up to \$3,650,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			(\$3,650,000)
TOTAL			Up to (\$3,650,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes, services are paid for from departmental budgets.

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



Resolution No.: U-11520

Item No.: 2

Meeting Date: APRIL 9, 2025

TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO
Chris Mattson, Power Section Manager, Generation
Ram Veeraraghavan, Senior Manager, Generation
Tony Daniels, Engineering Project Manager, Generation
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Finance/Purchasing
SUBJECT: Cushman Units 31 & 32 Rebuild – Professional Services Contract Increase
Architectural and Engineering (A&E), Contract No. CW2239780 –
April 9, 2025 Public Utility Board
DATE: March 07, 2025

RECOMMENDATION SUMMARY: Tacoma Power Generation requests approval to increase Contract No. CW2239780, to HDR Engineering, Inc., Bellevue, WA, by \$700,000, plus applicable taxes, budgeted from the Power Fund 4700, for the Cushman hydroelectric units 31 & 32 rebuild project. This increase will bring the contract to a cumulative total of \$1,762,118.00, plus applicable taxes.

BACKGROUND: Tacoma Power contracted the Cushman hydroelectric units 31 & 32 rebuild project as Design-Build project under RCW 39.10 Alternative Public Works Contracting Procedures. The Project Review Committee (PRC), appointed by the State's Capital Projects Advisory Review Board (CPARB), approved the use of Design-Build delivery method for the project on December 7, 2020, based in part on the experience and expertise of the City's team of in-house staff and consultants. HDR Engineering, Inc. was included as a consultant on the project team as the owner's engineer. Given the highly complex and technical nature of hydro turbine-generator rehabilitations and need for specialized expertise not available in-house, HDR Engineering, Inc. remains a critical member of the project team.

ISSUE: The Cushman hydroelectric units 31 & 32 rebuild project aims to extend the service life of the turbine-generators an additional 30 years. The project has progressed beyond the procurement (phase I) and engineering/manufacturing (phase II) stages and has now entered construction (phase III), scheduled for 2025 and 2026. This will be followed by project close-out (phase IV). Tacoma Power continues to rely on HDR Engineering, Inc.'s experience and expertise in hydro turbine-generator rehabilitation to provide owner's engineer services throughout the project's highly technical and complex phases.

The recommended increase is necessary to retain HDR Engineering, Inc.'s support during construction and project closeout (phase III and IV). This approach ensures Tacoma Power will continue to benefit from HDR Engineering, Inc.'s subject matter expertise and deep knowledge of the project.

ALTERNATIVES: Alternatives considered included relying on Tacoma Power staff for support during future phases of the project and hiring a different consultant as the owner's engineer. Both alternatives pose risks to project quality and schedule, as Tacoma Power staff have



limited experience with turbine-generator rehabilitation, and a new owner's engineer would result in loss in continuity and potential project delays.

COMPETITIVE ANALYSIS: The City's Architectural and Engineering (A&E) roster was utilized to request an updated Statement of Qualifications from three consulting firms. Two submitted their qualifications and were interviewed by a team from Power Generation. HDR Engineering, Inc. was selected based on qualifications, relevant experience, availability and expertise with hydro turbine-generator rehabilitation work. HDR Engineering, Inc. has performed well throughout the project to date.

CONTRACT HISTORY: This contract was originally awarded to HDR Engineering, Inc. as a result of selection from the City's A&E roster and subsequent negotiations with the vendor in December 2020 for Phase I services. The original contract for phase I services was not to exceed the amount of \$750,000.00. The contract was originally limited to phase 1 services as subsequent phase support needs were unclear. Additionally, this enabled the City to confirm desired results prior to moving to the next phase. The contract was increased by \$112,118 in June 2023 to cover additional scope as part of phase I services and anticipated phase II services. The contract was increased by \$200,000 in October 2024 to cover added scope to phase II services. This requested contract increase will cover the remaining services to complete the project.

SUSTAINABILITY: The goal of the Cushman hydroelectric units 31 & 32 rebuild project is to extend service life of the units by 30 years and support the City's commitment to combat climate change through the generation of green, affordable, renewable power.

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.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 - Power Fund	PWR-01085	6311221	\$700,000
TOTAL			Up to \$700,000



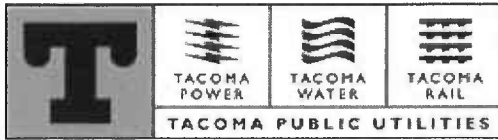
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 - Power Fund	PWR-01085	6311221	(\$700,000)
TOTAL			Up to (\$700,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$700,000

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-11520

Item No.: 3

Meeting Date: APRIL 9, 2025

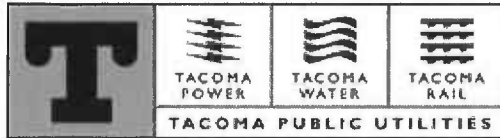
TO: Board of Contracts and Awards
FROM: Chris Robinson, Power Superintendent/COO
Chris Mattson, Generation Manager
David Wagner, Generation Power Utility Manager
James Blessing, Generation Power Systems Engineer
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Finance/Purchasing
SUBJECT: LaGrande Unit 1-4 and Mossyrock Unit 51-52 Generator Exciter Replacement
Sole Source Waiver, Contract No. CW2255041 – April 9, 2025 Public Utility
Board
DATE: February 27, 2025

RECOMMENDATION SUMMARY: Tacoma Power requests approval to increase CW2255041 with Reivax North America, Inc., Montreal, QC, Canada, by \$200,000, plus applicable taxes, budgeted from the Power Fund 4700, for additional costs resulting from exciter component conditions identified after contract award, compliance testing, and additional time required to complete testing. This increase will bring the contract to a cumulative total of \$850,000, plus applicable taxes.

BACKGROUND: Generator excitation systems are essential for safe and reliable generator operations as they monitor and regulate the generator's output voltage. The original contract scope included the supply and commissioning of LaGrande Units 1-4 and Mossyrock Units 51-52 Excitation Systems. The cost estimate for the Mossyrock units was based on assumed component conditions from the previous manufacturer. Detailed design and onsite investigations took place after the contract was awarded. Additionally, modifications to these systems require compliance testing. This contract increase is necessary to address component conditions discovered during detailed design, compliance testing data acquisition and modeling, procurement of spare components, and additional time required onsite to complete the testing and commissioning of Mossyrock Unit 51 in November 2024.

ISSUE: The full extent of refurbishment requirements was identified only during the detailed design phase, revealing additional component needs and compliance testing requirements. The existing excitation systems for LaGrande Units 1-4 and Mossyrock Units 51-52 have exceeded their expected service life, making replacement parts increasingly difficult to source. To ensure system reliability and compliance, additional funding is required to address unforeseen component conditions, acquire spare parts, complete compliance testing, and finalize the commissioning process.

ALTERNATIVES: Without approval of these funds, Tacoma Power will only be able to complete a portion of the testing and commissioning of the remaining scope of work. While all materials for Mossyrock Unit 51 and 52 have been received, only Unit 51 has been tested and commissioned. LaGrande Units 1-4 materials have undergone factory acceptance testing and are awaiting punchlist item completion before shipment.



COMPETITIVE ANALYSIS: Tacoma Power Generation requested a waiver of competitive solicitation due to a Sole Source Waiver and recommended a contract be awarded to Reivax North America, Inc. on October 25, 2023.

CONTRACT HISTORY: This contract was originally awarded to Reivax North America, Inc., as a result of Resolution U-11411. On January 4, 2024, the Department requested an increase to the Sole Source Waiver in the amount of \$100,000 to cover the additional cost of training and commissioning services associated with the supply of the exciters bringing the new total contract amount to \$650,000, plus applicable sales tax.

SUSTAINABILITY: Tacoma Power's fleet of hydroelectric turbine-generators provide clean, renewable power supporting the City's commitment to decarbonization. Capital improvements and maintenance of the fleet is critical for the production of safe, reliable power for our customers.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - EIC Exception: Sole Source Waiver.

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	PWR-01182	6311221	\$200,000
TOTAL			Up to \$200,000

* General Fund: Include Department/Division

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 - Power	PWR-01182	6311221	(\$200,000)
TOTAL			Up to (\$200,000)



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 200,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. Funds are available in Power Generation's capital budget.