



RESOLUTION NO. U-11626

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 Approved as to form:

15
16 _____
17 /s/
18 Chief Deputy City Attorney

19 _____

Clerk

Adopted _____



Resolution No.: U-11626
Item No.: /
Meeting Date: SEPTEMBER 23, 2026

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director, Superintendent, Power
Ray Johnson, Section Manager, Power Utility, Power Management
Gabrielle Glynn, Senior Manager, Power Utility, Power Management
Rick Applegate, Data Analyst, Principal, Power Management
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Sara Bird, Senior Contracting & Procurement Specialist,
Finance/Purchasing
SUBJECT: PM and OCM Services for Markets+ Implementation
Request For Proposal (RFP) Specification No. PM26-0046F, Contract No.
CW2284796 – September 23, 2026, Public Utility Board
DATE: August 28, 2026

RECOMMENDATION SUMMARY:

Tacoma Power recommends awarding a contract to Toba Consulting LLC (Toba Consulting) of Fox Island, WA, in the amount of \$3,000,000, plus up to \$600,000 contingency, plus applicable taxes, from the Tacoma Power Fund 4700, for an initial contract term of three years, for a projected contract amount of \$3,600,000, plus applicable taxes, for program management (PM) and organizational change management (OCM) services.

BACKGROUND:

Tacoma Power proposes to contract with Toba Consulting to PM and OCM services in support of Tacoma Power's intended 2028 implementation of Markets+, a day-ahead energy market that will be operated by the Southwest Power Pool (SPP). Under a centralized day-ahead market, the market operator procures energy to meet all demand within the market footprint from offers of supply. Because Tacoma Power currently optimizes its resource portfolio through bilateral trading and a centralized real-time market, participation in a day-ahead market represents a major change for Tacoma Power's wholesale marketing and transmission operations. Having the support of external PM and OCM services would aid in this adjustment and help achieve successful implementation.

Given the complexity of the day-ahead market, Tacoma Power desires to use a program-level approach for implementation of the day-ahead market, with a consultant from Toba Consulting serving as the program manager. PM encompasses traditional project management, which focuses on delivering a specific, well-defined scope on time and within budget. However, PM in this context will go beyond project management to provide strategic coordination across related projects, such as implementation of the Western Resource Adequacy Program (WRAP) and the new slice energy product offered by the Bonneville Power Administration (BPA). It involves aligning resources, managing shared risks, identifying cross-project dependencies, and ensuring consistent visibility and communication for leadership. This overarching coordination will occur across workstreams and the multiple project managers of day-ahead market implementation that are internal and external to Tacoma Power.

OCM is a structured approach that helps people, teams, and organizations successfully transition through significant operational or strategic shifts. Its purpose is to prepare, support,



and guide stakeholders so they can adopt new ways of working with minimal disruption and maximum engagement. OCM will involve assessing readiness of Tacoma Power to join the day-ahead market, clarifying how new market processes will affect roles and workflows, communicating changes clearly and consistently, and building targeted training and support plans. Together, these activities help the utility's workforce understand why participation in the new market matters, what will change, and how they can confidently navigate new market systems, operational structures, and decision-making practices.

Under the proposed agreement, Toba Consulting will perform various tasks related to PM and OCM under work orders that will outline the objectives to be performed and specific tasks that may be required. Toba Consulting will then invoice Tacoma Power on a time and material basis at rates provided under the agreement.

ISSUE: Implementation of a centralized day-ahead market will require the Power Management and Transmission and Distribution (T&D) sections of Tacoma Power to substantially evolve their operational processes. Contracting for PM and OCM services would augment Tacoma Power's resource capabilities with professionals that have experience helping organizations make major adaptations.

ALTERNATIVES: Tacoma Power could use internal resources to accomplish PM and OCM functions, but we are concerned that this would require staff that are also subject matter experts divert their attention from substantive aspects of day-ahead implementation, as well as further distract them from ongoing day-to-day operations.

COMPETITIVE SOLICITATION:

This proposed contract is the result of a Request for Proposal, Specification No. PM26-0046F, which was opened June 23rd. Six hundred forty-seven (647) companies were invited to bid in addition to normal advertising of the project. Nine submittals were received, all of which were from generally well qualified providers. We evaluated the responses with respect to eight criteria: qualifications/experience of firm; examples of projects; client references; fees; qualifications/experience of key personnel; sustainability; equity in contracting; and submittal quality. Based on our review of the responses, we believe that Toba Consulting is best positioned to help Tacoma Power implement a day-ahead market. The table below shows the scoring of the proposals by a five-member evaluation team.

<u>Respondent</u>	<u>Location</u>	<u>Score</u>
Toba Consulting LLC	Fox Island, WA	73.6
Sapere Consulting Inc	Spokane Valley, WA	67.4
POWER-tek USA LLC	Niagara Falls, NY	64.6
Eagle Hill Consulting LLC	Arlington, VA	58.7
Nextgen People LLC	Mableton, GA	58.1
E Source Companies LLC	Houston, TX	56.8
Morris & Willner Partners Inc	Irvine, CA	53.5
Onit Management Consulting LLC	Seattle, WA	48.9
Crowe LLP	Sacramento, CA	46.5



CONTRACT HISTORY: New contract.

SUSTAINABILITY: As part of this solicitation, Tacoma Power encouraged respondents to use products or services that help to minimize the environmental and human health impacts of City Operations in accordance with the City's Sustainable Procurement Policy and Climate Action Plan. Transportation requirements to accomplish in-person consulting services and their associated travel costs were considered as part of the assessment criteria of fees and charges. Five points were awarded in the assessment to any proposal that includes a statement of sustainability practices.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - Service contract – EIC Regulations are not yet established; however, five points were awarded in the assessment to any proposal that identified registration in any of the following categories: Combination Business Enterprise (CBE); Disadvantaged Business Enterprise (DBE); Minority Business Enterprise (MBE); Minority/Women Business Enterprise (MWBE); Small Business Enterprise (SBE). Socially and Economically Disadvantaged Business Enterprise (SEDBE); or Women Business Enterprise (WBE).

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
Tacoma Power Fund 4700	Various	5310100	\$3,600,000
TOTAL			Up to \$3,600,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Tacoma Power Fund 4700	Various	5310100	(\$3,600,000)
TOTAL			Up to (\$3,600,000)

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-11626
Item No.: 2
Meeting Date: SEPTEMBER 23, 2026

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director - Power Superintendent, Tacoma Power, Ray Johnson, Section Manager, Power Utility, Power Management
Brittany Broyles, Assistant Section Manager, Power Utility
Anne Larrabee, Manager, Power Utility
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP Coordinator, and Sara Bird, Senior Contracting & Procurement Specialist, Finance/Purchasing
SUBJECT: Conservation and Demand Response Potential Assessment
Request for Proposals (RFP) Specification No. PM23-0237F, Contract No. CW2265681 – September 23, 2026, Public Utility Board
DATE: August 9, 2026

RECOMMENDATION SUMMARY:

Tacoma Power, Power Management requests approval to increase and extend Contract No. CW2265681 to ICF International (ICF, previously known as the Applied Energy Group or AEG), Concord, CA by \$459,660, plus applicable taxes, budgeted from the Power Conservation Administration (4700 Power), for the 2028-2029 Conservation and Demand Response Potential Assessments (CPA/DRPA). This increase will bring the contract to a projected total of \$819,660, plus applicable taxes and extend contract through June 30, 2028.

BACKGROUND:

The Conservation Potential Assessment (CPA) is an exercise required by law (see RCW 19.285). Under the State of Washington's Energy Independence Act (I-937), we are required to conduct an assessment of our service territory's conservation potential, producing a biennial conservation target that we are required to meet. The DRPA is a smaller component of the contract (~10% of the budget) and is a critical assessment which will inform the demand response programs we will include in our portfolio of customer energy solutions.

ISSUE: Tacoma Power is required by law to execute a CPA every biennium. The law came into effect January 2010 and Tacoma Power has successfully completed its CPA every cycle. The CPA process must be conducted by an external vendor. Tacoma Power has used ICF as our vendor for the last several CPA assessment cycles, selected through an RFP process. As our current contract with ICF ends on December 31, 2026, we need to amend our contract to extend the timeline and budget to continue fulfilling our requirement to conduct the CPA process every biennium.

ALTERNATIVES: Non-compliance with this law will result in fines as well as audit findings. If we were to use a different vendor to conduct our CPA process, this would require running a new RFP, which is a timely process that would likely cause us to miss our deadline for the next CPA process for the 2028-2029 biennium. ICF has experience running CPAs for multiple utilities, and we have confidence that they will again provide us with a CPA that meets the required statute guidelines.



CONTRACT HISTORY: Contract No. CW2265681 was originally awarded to Applied Energy Group Inc as a result of RFP Specification No. PM23-0237F in July 2024, with an initial contract value of \$360,000 with initial term dates from July 10, 2024 to December 31, 2025. Amendment No. 1, effective October 30, 2025, was executed to extend the contract to December 31, 2026.

SUSTAINABILITY: RCW 19.285 requires large utilities to source 15% of electricity from renewable resources and meet conservation targets. This policy promotes environmental sustainability, reduces pollution, and fosters local economic growth. ICF helps us achieve this requirement by conducting the CPA process which identifies our biannual conservation targets.

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 (year 2026)	562000	5310100	\$99,725
4700 Power(year 2027)	562000	5310100	\$359,935
TOTAL			Up to \$459,660

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 Power (year 2026)	562000	5310100	(\$99,725)
4700 Power (year 2027)	562000	5310100	(\$359,935)
TOTAL			Up to (\$459,660)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$99,725

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-11626
Item No.: 3
Meeting Date: SEPTEMBER 23, 2026

TO: Board of Contracts and Awards
FROM: Chris Robinson, Superintendent/COO, Power
Chris Mattson, Section Manager, Generation, Power
Matt Bleich, Natural Resources Asst. Section Manager, Generation, Power
Sean Luis, Natural Resources Principal Analyst, Generation, Power
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Senior Contracting & Procurement Specialist,
Finance/Purchasing
SUBJECT: Fisheries Technical Project Professional Services
Direct Negotiation Waiver, Contract No. CW2269286 –
September 23, 2026 Public Utility Board
DATE: July 23, 2026

RECOMMENDATION SUMMARY:

Tacoma Power requests approval to increase and extend Contract No. CW2269286 to Spheros Environmental (formerly Four Peaks Environmental & Data Solutions), Wenatchee, WA, by \$450,000, plus applicable taxes, budgeted from Power Fund 4700, for continued fisheries professional services to inform the three-year fish collection efficiency evaluation at the Cowlitz Falls Dam North Shore Collector. This increase will bring the contract to a projected total of \$1,350,000, plus applicable taxes, and extend the contract through June 30th 2028.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

BACKGROUND:

The Cowlitz River Project includes two dams: Mayfield and Mossyrock Dams (downstream to upstream) and their associated impoundments, Mayfield Lake and Riffe Lake. However, Tacoma Power's Federal Energy Regulatory Commission license requirements also include provisions for fish passage to the upper Cowlitz River basin, which includes transport past Cowlitz Falls Dam (upstream of Mayfield and Mossyrock) which is owned and operated by Lewis County Public Utilities District. These license requirements went into effect in 2003. The location of this study is Cowlitz Falls Dam and Lake Scanewa, which is fed by the Upper Cowlitz and Cispus Rivers. Cowlitz Falls Dam serves as a collection point for outmigrating juvenile salmonids in a basin-wide "trap-and-haul" fish passage program. Although fish passage infrastructure components were integrated into the original Cowlitz Falls Dam design, collection flume entrances are located near turbine inflow structures, putting fish at risk of turbine entrainment and incidental passage to Riffe Lake where their migratory lifecycle (i.e. "anadromy") is cut short. Consequently, previous outmigration survival was low due to reservoir predation, elevated temperatures, and poor performance of previous passage techniques.

To improve fish collection efficiency (FCE) and subsequently, fish passage survival (FPS), the Cowlitz Falls North Shore Collector ("collector") was constructed and made operational in 2017. This state-of-the-art fish collection unit was designed in concurrence with an adaptive management plan (AMP) whereby systematic operational improvements at the facility are informed through directed investigations of physical and biological system responses. The AMP was developed in collaboration with the Washington Department of Fish and Wildlife and other fishery co-managers within the Cowlitz Fisheries Technical Committee (a FERC license-

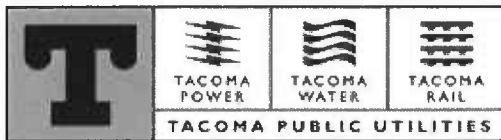


mandated interagency working group). The AMP framework allows Tacoma Power to work toward meeting a minimum compliance standard of 75% FPS utilizing the best available technology (with the ultimate goal of achieving 95% FPS) as established in the Cowlitz River Settlement Agreement (2003). Examples of operational refinement include various pump back diffusion strategies, increased collector inflow, and velocity adjustments within the collection channel which aim to increase attraction, capture, and retention of fish for improved collection efficiency. FCE and FPS rose steadily between 2017 and 2019 and have fluctuated since then. While some improvements have been made, the minimum target of 75% FPS for all species has yet to be achieved.

In accordance with the AMP, a 3-dimensional acoustic telemetry study was conducted from 2017 to 2019 with the goal of characterizing baseline fish behavioral responses to the new infrastructure and to prioritize operational refinements. This study found that in 2019, several steelhead entered the collection channel only to later reject it. This data informed a permanent operational change in channel velocity to aid in retention efficiency for steelhead. Another key finding from the 2017-2019 study was that “entrance efficiency” was low for Chinook salmon across study years. Entrance efficiency refers to the proportion of out-migrating individuals who enter into the hydraulic “zone of influence” of the collector entrance and are ultimately collected. In accordance with the AMP decision framework, this finding prompted our current study.

In December 2024, Tacoma Power requested funds for a multi-year investigation of Chinook salmon entrance efficiency at Cowlitz Falls Dam. A quasi-randomized block study design is currently being used to investigate juvenile Chinook salmon behavioral responses to three collector entrance configurations using a combination of mark-recapture and acoustic telemetry techniques. The experimental entrance treatments include: (1) a control condition with the standard 500 cubic feet per second (cfs) of collector inflow; (2) an “occlusion” treatment at 500 cfs inflow where the collector entrance is partially occluded with a steel plate, increasing approach velocities; and (3) an increase in collector inflow up to 750 cfs. The third treatment simulates increased pumpback capacity of the existing pumpback diffuser structure (PDS), which currently operates at a maximum capacity of 500 cfs. Increasing pumpback capacity to 750 cfs to improve FCE is a prescribed infrastructure upgrade in the AMP. The exact specifications of this upgrade will be informed by the findings of this study.

Tacoma Power completed one season of data collection in 2025 and deployed equipment for a second season of data collection in early June 2026. Several data analyses are currently in development, including multivariate statistical modeling of a suite of behavioral response variables, 3D analysis of Cowlitz Falls Dam forebay hydraulics, and telemetry data processing to resolve fish swimming pathways. The upper Cowlitz basin displays significant interannual hydrologic variation. Therefore, it was intended that a study of this nature would require multiple years to be operationally informative. This variability drives key environmental variables known to be important for Chinook salmon migratory behavior, including reservoir temperatures, upper tributary inflow discharges, and turbidity. These factors also directly affect operational parameters at the dam, and understanding them is required for adaptive management. Without observing interannual variation in the system, it would be very difficult to statistically disentangle operational and environmental effects as they relate to our study hypotheses.



The funds originally approved by the Public Utility Board in 2024 were budgeted for the 2024-25 biennium, which was the first two years of data collection. The additional funds requested will cover the cost of acoustic tags for a third year of data collection, as well as additional contractor support for field deployment, raw data processing with quality checks, and in-season data management. The project was originally budgeted for two years, with a third year contingent on the outcome of the first two years. We are requesting funds for a third year based on appreciable differences in environmental conditions between 2025 and 2026. Current El Niño forecasts indicate that climatic conditions in 2027 will likely resemble 2026, allowing us to make much more robust scientific inferences of environmental effect sizes across the three study years.

ISSUE: This contract will support obligatory juvenile fish passage requirements under the current FERC license at the collector. Understanding collection performance under different operational settings will allow us to fine-tune its operation towards our minimum compliance target of 75% FPS for Chinook salmon. Findings from this study will directly inform the specifications of a planned infrastructure upgrade to the existing PDS system, which is prescribed in the AMP as a fish collection efficiency improvement measure.

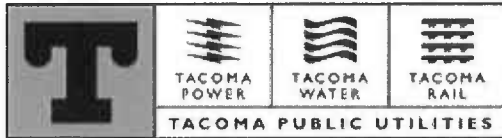
ALTERNATIVES: There are no known alternative analytical approaches to characterize fish behavior in and around the collector at the required spatial resolution. Acoustic telemetry is a common method for this type of investigation, supported by decades of similar applications published in the scientific literature. Understanding Chinook salmon behavioral responses to environmental and operational covariates is the best option available to fine-tune the collector and meet our FERC license obligations.

Separate FCE trials are conducted each year at this facility, which inform trends in unit effectiveness. However, these studies do not offer the type of fine-scale behavioral data necessary to inform specific operational adjustments.

COMPETITIVE ANALYSIS:

A competitive solicitation was not pursued due to the limited number of firms with the specialized expertise and project-specific knowledge required for Tacoma Power's fish passage monitoring and analysis. The consultant has conducted similar work for Tacoma in the past (2017 – 2019 studies), and was awarded the current study contract in 2025. Employing consistent methods across studies will help standardize results. Even subtle differences in equipment deployment, data collection, and/or processing could erode data integrity, affect statistical confidence in results, and bias AMP decisions that have significant financial implications. Our consultant is uniquely positioned with a combination of: (1) decades of expertise in biotelemetry and specifically, the development and application of the Juvenile Salmon Acoustic Telemetry System (JSATS) tags being used in this study; (2) expertise in acoustic receiver array design; and (3) a working knowledge and past project history within the Cowlitz River basin and an understanding of the intricacies of the collector. Given the specialized nature of the work and the importance of continuity, direct negotiation with Spheros Environmental (formerly Four Peaks Environmental & Data Solutions) is in the best interest of the City.

CONTRACT HISTORY: This contract was originally awarded to Four Peaks Environmental Science & Data Solutions LLC (now Spheros Environmental) as a result of a waiver of competitive solicitation to directly negotiate on March 25, 2025, not to exceed \$900,000. This amount was



approved via Resolution U-11497. Amendment No. 1 was executed on May 5, 2025, to revise the scope of work to include the purchase of equipment and instrumentation necessary to support services provided (original funding amount remained unchanged). Competitive pricing was achieved for the original contract by limiting consultant labor expenses to the minimal amount required to support the project, and by minimizing material costs by re-using existing Tacoma-owned equipment to the greatest extent possible. Competitive pricing for the contract extension was achieved by scoping the additional work based on work performed in 2025 and 2026, with an understanding of the minimum labor/materials required to complete this project and ensuring that the 2027/2028 scope does not include any unnecessary expenses.

SUSTAINABILITY: This contract is being implemented in support of the Natural Resources group within Generation for Tacoma Power in order to implement our FERC license goals. These goals include implementing strategies for recovery of our natural resources and balancing the production of clean 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	Various	5310100	\$450,000
TOTAL			Up to \$450,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Power Fund	Various	5310100	(\$450,000)
TOTAL			Up to (\$450,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$430,000

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-11626
Item No.: 4
Meeting Date: SEPTEMBER 23, 2026

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director, Power Superintendent, Tacoma Power
Rachel Allen, Section Manager, Power Utility, Power Shared Services (PSS)
Terry Coggins, Division Manager, Fleet & Facilities, PSS Facilities
COPY: Garth Nelson, Principal Engineering Project Manager, PSS Project Delivery
Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Aaron Bratton, Senior Contracting & Procurement Specialist,
Finance/Purchasing
SUBJECT: Tacoma Public Utilities (TPU) Administrative Complex Parking & Storage
Improvement Project
Request for Qualifications and Request for Proposals Specification No. PS25-
0105F, Contract No. CW2277841 – September 23, 2026 Public Utility Board
DATE: August 28, 2026

RECOMMENDATION SUMMARY: Tacoma Power requests approval to increase and extend Contract No. CW2277841 to Absher Construction Co, Puyallup, WA, in the amount of \$15,223,225.00 plus applicable taxes, plus a five percent contingency, budgeted from the Power Fund 4700, for the full design of the TPU Administrative Complex Parking & Storage project, and early Guaranteed Maximum Price (GMP) of the new shops building addition, south access gate, enclosed parking, canopy covered parking, and covered storage. This amendment will bring the contract to a projected contract amount of \$17,285,258.00, plus applicable taxes, and extend the termination date to October 30, 2027.

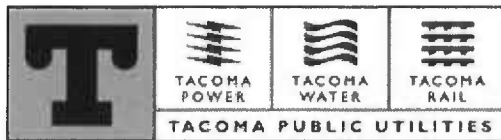
It is anticipated that there will be approximately three to four amendments to this contract to complete the full design and construction. Amendments include full design development beyond validation, an early works package, potentially an early procurement package, and finalization of the GMP for the progressive design build project.

BACKGROUND: In 2016, the Cushman and Adams Substations were added to the Tacoma Register of Historic Places. City of Tacoma adopted Resolution No. 39741 in June of 2017, which directed the City of Tacoma to work with Tacoma Power to enter a memorandum of understanding (MOU) to encourage timely redevelopment of these properties.

In 2018, the City of Tacoma and Tacoma Power entered an MOU for the replacement of the storage and crane capabilities of the Cushman Substation to render the substation surplus to the utility.

In 2020, Tacoma Power hired a consultant to develop a master plan study with recommendations for the TPU Administrative Campus, Southwest Training Center, and the South Service Center. A final report was submitted to Tacoma Power in January of 2021. Based upon the recommendations, Tacoma Power developed a business case for the TPU Administrative Complex Parking & Storage project.

In 2023, Tacoma Power hired a consultant to complete a full parking and storage study with a preliminary site layout. The study provided support to improve operational efficiencies, safe employee and vehicular flow patterns, new storage solutions to protect critical assets, and vacating the Cushman Substation. A final preliminary layout and report was submitted to



Tacoma Power in August of 2024.

In 2024, the City of Tacoma and Tacoma Power amended the MOU to have replacement facilities and operational capabilities for the Cushman Substation in 2027, which will render the facility surplus to the utility.

In 2024, consistent with RCW 39.10, the TPU Administrative Complex Parking & Storage project received Washington State's Capital Projects Advisory Review Board (CPARB) approval to utilize Progressive Design-Build (PDB) as part of the Public Body Design-Build recertification determination.

Following the study and preliminary planning final report, Tacoma Power solicited PDB proposals for planning, design, and construction of the new shop's building addition, south access gate, enclosed parking, canopy covered parking, and covered storage.

The cumulative PDB contract will cover the three phases of the project. Phase One of the project covers the planning and validation period, conceptual design, and 60-percent design to develop a Guaranteed Maximum Price (GMP). During this phase, the Design-Build (DB) team developed an Early GMP package to meet the requirements of the MOU for rendering the Cushman Substation surplus to the utility. Phase Two will start allowing the DB team to complete the full design and construction once a contract amendment is executed for the Early GMP.

Recently, the DB team has completed Phase 1 of the project and negotiated an Early GMP for completion of the design, as well as construction of the TPU Administrative Complex's New Shops Building Addition, and South Access Gate in the amount of \$15,223,225.00, plus applicable taxes.

In conjunction with Phase Two, Phase Three includes a contract amendment which includes the final GMP to complete the design and construct the full TPU Administrative Complex Parking & Storage project.

ISSUE: Currently Tacoma Power is limited in storage for two existing facilities, the Old Shops Building located at TPU's Administrative Complex, and the Cushman Substation. The Old Shops Building was constructed in 1953 and is seismically vulnerable with the potential of structural collapse during a design seismic event. Due to these safety concerns, it has been deemed a non-occupancy space and can only store non-critical equipment and materials. The Cushman Substation needs to be vacated per the MOU. Additionally, the Cushman Substation is no longer an active substation, and the control house is not a long-term, viable storage option due to its location, limited functionality, and required operating cost.

Subsequently, storage and parking located at the TPU Administrative Campus is inadequate; parts for critical equipment are stored in the open elements due to the lack of space which has led to deterioration and degradation of parts, thus causing an increase in maintenance and replacement of parts. Like the equipment, materials not currently in use are being stored in the open elements and have increased the degradation of the wire spools and wire. This leads to increased waste and higher costs to the utility.



A private developer will construct a new public right-of-way road to connect a large distribution center south of TPU's Administrative Complex to South 35th Street. As part of the agreement between the developer and the City of Tacoma, the City has agreed to vacate portions of TPU's properties to dedicate land for the new right-of-way, including the southeast corner of TPU's Administrative Campus. The agreement includes a new access point at the south end of the TPU Administrative Complex that will be provided by the developer. Findings from a study show that shifting the TPU Administrative Campus access for the majority of fleet and delivery traffic from the north gate to a new south gate will improve onsite traffic flow and pedestrian safety.

ALTERNATIVES: The 2020 Master Plan Study included a comprehensive evaluation and recommendations for Tacoma Power's main campus and two satellite sites. The study evaluated employee safety, vehicle circulation and site access, storage and parking requirements, and other factors to support site safety and efficiencies. During this study, alternative concepts were presented to stakeholder groups, and a preliminary site concept was incorporated into the report.

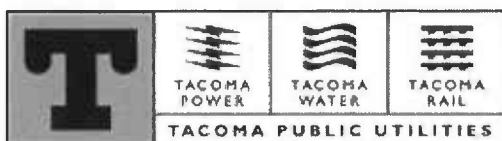
During the 2023 TPU Administrative Complex Parking & Storage project study, the scope of work was further defined and focused from the 2020 report. Stakeholders were engaged through workshops to identify the specific program needs. Three concepts were developed from the information gathered from the site and workshops. Through additional workshops and concept refinement, a selected preferred preliminary site layout was selected.

After reviewing the project delivery methods, Tacoma Power determined a PDB method is best suited for this project as it offers significant advantages over design-bid-build, construction manager at risk, and traditional DB delivery methods. PDB projects provide a single point of responsibility for facility design and construction through the Design-Builder. Additionally, it gives Tacoma Power the ability to work closely with the Design-Builder during progression of the design to increase opportunities for innovation, improve space utilization on a constrained site, and better manage the design and construction risks. Also, risk of impacts to existing operations is reduced when the contractor and designer consider construction means and methods through the design process. Delays to the project due to long-lead purchase of equipment and materials can be mitigated in PDB through a targeted acceleration of design and procurement of those long-lead equipment and materials.

COMPETITIVE ANALYSIS:

In accordance with RCW 39.10.330, a two-step solicitation approach was used to identify the most qualified PDB team. Tacoma Power was assisted by an owner advisor from WSP USA Inc, who is highly experienced in managing alternative delivery projects. WSP USA Inc provided insight and facilitation of the process as non-voting member of the Selection Advisory Committee (SAC).

Request for Qualifications Specification No. PS25-0105F was opened on July 1, 2025. Twenty-one firms were invited to bid in addition to normal advertising of the project. Four statements of qualifications (SOQ) were received and evaluated by the SAC based on the DB teams' qualifications and performance references, team experience and qualifications, evidence of ability to perform the work, excellence in design, and disadvantaged business utilization



performance. All four submittals met the general requirements. The three highest scoring teams were then invited to enter the proposal phase of the solicitation process.

Request for Proposals Specification No. PS25-0105F received three proposals from finalists on September 16, 2025. Proposals were submitted in two parts, written proposal and price factor forms. Price factor forms were held by Purchasing staff until after the proposal scores were submitted. Proposals were evaluated based on PDB delivery approach, design approach, management approach, time and budget management, capacity to complete the work, disadvantaged business outreach and inclusion plan. In-person interviews with each finalist were also conducted. Following the cumulative scoring, price factor forms were opened.

The table below reflects the total final scores of the Finalists.

<u>Respondent</u>	<u>Location</u>	<u>Score</u>
Absher Construction Co	Puyallup, WA	241
MA Mortenson Company	Kirkland, WA	227
Skanska USA Building Inc	Seattle, WA	214

CONTRACT HISTORY: The contract award recommendation was approved by PUB Resolution U-11571 on December 10, 2025 for \$1,920,183.00, plus applicable taxes. The contract was executed on December 15, 2025 for an initial value of \$351,002.16, plus applicable taxes.

Amendment No. 1, effective April 28, 2026, was executed to increase the contract by \$1,507,408.84, for a new projected total of \$1,858,411.00, plus applicable taxes and to extend the termination date to August 31, 2026.

SUSTAINABILITY: Pursuant to Resolution No. 38249, the project criteria for the TPU Administrative Campus Parking & Storage project will be certified to a minimum of LEED Silver certification at the end of the project.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable – Pursuant to RCW 39.10.330. EIC compliance will be required during Phase Two and Phase Three of this contract. Phase Two and Phase Three EIC requirements, per memorandum dated July 15, 2025 for this project are 18 percent MBE; 3 percent WBE; and 15 percent SBE.

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 – Power Fund	PWR-01166	560900	\$17,285,258.00
TOTAL			Up to \$17,285,258.00

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 – Power Fund	PWR-01166	560900	(\$17,285,258.00)
TOTAL			Up to (\$17,285,258.00)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$6,900,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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