



RESOLUTION NO. U-11490

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 _____



Resolution No.: U-11490

Item No.: 1

Meeting Date: November 13, 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: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Ryan Foster, Senior Buyer
SUBJECT: On-Call Environmental Contracting Support
Contract No. CW2246350, November 13, 2024, Public Utility Board
DATE: October 14, 2024

RECOMMENDATION SUMMARY: Tacoma Power’s Environmental Health and Safety section (Power) requests approval to increase contract CW2246350, to GeoEngineers Inc, Redmond, Washington, by \$500,000, plus applicable taxes. This is budgeted from the Tacoma Power’s budget and will be funded by various Tacoma Public Utility division funds depending upon the need for services. This contract is used for on-call environmental consulting activities including but potentially not limited to on-site technical support, 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.

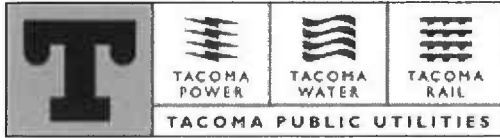
STRATEGIC POLICY PRIORITY:

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

The GeoEngineers Inc contract is a critical tool for managing emergency spill response as well as environmental site investigation and remediation efforts. Initially established in 2022, this contract has proven essential in responding to and addressing environmental incidents. This contract may be extended until 2027 if all potential extension agreements are exercised. 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.

BACKGROUND: In support of Tacoma Public Utilities operations, Power is requesting an increase to the GeoEngineers Inc contract. The GeoEngineers Inc contract provides essential on-call environmental professional services that support numerous environmental efforts including planned projects and unplanned emergency events. It has also enabled Power to mobilize resources quickly to provide the necessary emergency support to contain and remediate spills effectively. One of the challenges inherent in this line of work is the unpredictability of unforeseen emergency events which can arise at any time, often requiring substantial financial resources to address. For example, a major spill might necessitate extensive cleanup efforts, involving skilled personnel, prolonged remediation activities, and



extensive documentation, and reporting. One major spill can potentially 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 a variety of environmental programs, including site investigation and remediation across Tacoma Public Utilities. Increasing the value of this contract ensures that Power can continue to address both planned and unexpected events with the necessary urgency and efficiency.

ISSUE: Currently, approximately 70 percent of the current contract value has been exhausted, and an additional 25 percent has been committed to anticipated future tasks. Based upon usage rates, 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 of not being able to optimally perform the necessary actions to ensure that the City of Tacoma is able to respond these types of emergency situations.

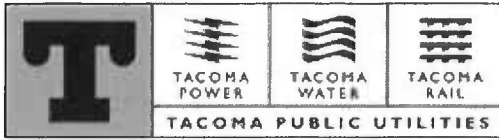
ALTERNATIVES: Do not add funding to the current contract, and shift work to current Power personnel. This approach is not recommended since it would likely result in a burdensome increase of work assignments to Power employees, which may lead to potential delays for on-going and future emergency spill response and remediation efforts.

Another potential alternative is to award a contract of similar value to a different environmental consulting firm. This is not recommended due to the expertise of the current on-call professional services provided by GeoEngineers Inc. It has been effectively demonstrated that they possess the institutional knowledge required to be immediately successful in responding to environmental emergencies, as well as their on-going onsite contractor support of various environmental programs.

Regardless of the potential alternatives noted above, the refusal to add funds to the current GeoEngineers Inc contract would impact the effectiveness of numerous environmental programs, as well as inhibit Power's ability to manage, respond to, monitor, document and develop the necessary reports for spills and remedial actions, which may result in significant environmental impacts throughout the City of Tacoma community, and potentially include regulatory violations.

COMPETITIVE SOLICITATION: GeoEngineers Inc was selected using the Architectural and Engineering (A&E) Roster. Three firms were selected from the A&E Roster and subsequently evaluated to select the most qualified for this project. This evaluation process resulted in GeoEngineers Inc as the most qualified to perform the services. The following summarizes the ranking of the firms evaluated.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Rank</u>
GeoEngineers Inc	Tacoma, Washington	1
Landau and Associates	Edmonds, Washington	2
Robinson Noble	Tacoma, Washington	3



CONTRACT HISTORY: This contract was originally awarded to GeoEngineers Inc when they were selected off the existing Citywide A&E Roster in February 2022 based upon the scope of work this contract is intended to perform.

Amendment No. 1 was entered into and effective as of February 1, 2024. This amendment adopted a new fee schedule and extended the term of the contract through January 31, 2025.

This contract is anticipated to be extended until at least January 31, 2026, prior to the end of the current contract term which expires on January 31, 2025. The current term, if all potential extensions are fully executed, is valid through January 31, 2027.

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 emergency spill response actions and impacted sites, each necessitating specific, legally mandated remedial actions to support 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 Tacoma Public Utility Division Funds	Multiple	Multiple	\$500,000
TOTAL			Up to \$500,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Tacoma Public Utility Division Funds	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-1149D
Item No.: 2
Meeting Date: NOVEMBER 13, 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: 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, November 13, 2024, Public Utility Board
DATE: October 14, 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 (NRC) Environmental Services, Seattle, WA, by \$500,000, plus applicable taxes. This is budgeted from the Tacoma Power budget and will be funded by various Tacoma Public Utility (TPU) division funds 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 \$1,500,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

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

BACKGROUND: In support of TPU operations, Power is requesting an increase to the NRC contract. Due to a major spill event and numerous other spill response efforts and environmental remedial actions, the available funding will soon be exhausted.

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 TPU, 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.

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



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

ALTERNATIVES: One alternative would be to not add funding to the current contract and shift work to current Power personnel. This approach is not recommended since it would likely result in a burdensome increase of work assignments to Power employees, result in equipment shortages, and lead to delays for on-going and future emergency spill response and remediation efforts.

Another potential alternative is to award a contract of similar value to a different emergency spill response firm. This is not recommended since it would likely result in an emergency response service coverage gap. Additionally, NRC has consistently demonstrated that they have access to the necessary equipment, required expertise, and possess the institutional knowledge to be immediately successful in responding to environmental emergencies.

A third potential alternative would be to allocate funding internally to hire sufficient personnel and purchase the necessary equipment and resources required to respond to all potential emergency spills and perform any necessary remedial actions. This is not recommended as it would most likely be prohibitively expensive to procure the necessary equipment, resources, and personnel to address the work performed under this contract.

Regardless of the potential alternatives noted above, the refusal to add funds to the current NRC contract would inhibit Power's ability to manage, respond to, and perform the necessary spill cleanup and remedial actions. This may also result in significant environmental impacts throughout the City of Tacoma community and potential regulatory violations.

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, terms, 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. This contract was originally awarded to NRC Environmental Services through the Washington State Department of Enterprise Services competitive bid process 09321-02 Emergency Response to Hazardous Materials in May 2022.

Amendment No. 1 was entered into and effective as of May 28, 2024. This amendment extended the time for performance and termination date from May 27, 2024, to May 27, 2028.

Amendment No. 2 was entered into and effective as of July 1, 2024. This amendment increased the compensation under the contract by \$500,000, per Resolution U-11462, raising the amount from \$500,000 to a new not-to-exceed total of \$1,000,000.



SUSTAINABILITY: This contract is designed to ensure Power's ongoing commitment to environmental stewardship in the areas Power serves. At TPU, Power manages a variety of emergency spill response actions and impacted sites, each necessitating specific, legally mandated remedial actions to support 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 Tacoma Public Utility Division Funds	Multiple	Multiple	\$500,000
TOTAL			Up to \$500,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Tacoma Public Utility Division Funds	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 TPU divisions depending upon need for services.



Resolution No.: U-11490
Item No.: 3
Meeting Date: NOVEMBER 13, 2024

TO: Board of Contracts and Awards
FROM: Chris Robinson, Utilities Deputy Director/Power Superintendent, Tacoma Power
Ray Johnson, Power Utility Section Manager, Power Management
Todd Lloyd, Assistant Section Manager, Power Resource Operations & Trading
Saul Villarreal, Power Utility Manager, Power Management/Power Resource Operations & Trading
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP Coordinator, and Sara Bird, Senior Buyer, Finance/Purchasing
SUBJECT: Streamgage Agreement with United States Geological Survey Interagency Agreement, Contract No. CW2268620, Contract No. CW2268763, and Contract No. CW2268767 – November 13, 2024 Public Utility Board
DATE: October 28, 2024

RECOMMENDATION SUMMARY: Tacoma Power recommends three two-year contracts, CW2268620, CW2268763, and CW2268767, be awarded to the United States Geological Survey (USGS), Tacoma, WA, in the total amount of \$719,854, plus applicable taxes, budgeted from the Resource Operations' Professional Services Fund, for an initial contract term of two years with the option to renew annually or biannually.

Power Management requests approval to increase its spend with USGS by \$33,710, plus applicable taxes, over the next two years, for a total of \$719,854, plus applicable taxes, across the three contracts, representing a 10.3 percent increase over two years. This would be seen as an 8.64 percent increase between 2024 and 2025, and then a 1.49 percent increase from 2025 to 2026.

- CW2268620: Wynoochee gauges two-year cost \$153,593, plus applicable taxes
 - Water Year 2025: \$74,923
 - Water Year 2026: \$78,670
- CW2268763: Federal Energy Regulatory Commission (FERC) gauges two-year cost \$207,626, plus applicable taxes
 - Water Year 2025: \$101,281
 - Water Year 2026: \$106,34
- CW2268767: Cooperative project gauges two-year cost \$371,192, plus applicable taxes
 - Water Year 2025: \$181,070
 - Water Year 2026: \$106,345

These contracts cover the following services:

- Streamflow Gauging: Monitoring water flow levels both upstream and downstream from Tacoma's hydro projects to ensure compliance with regulatory requirements and optimize reservoir operations.
- Meteorological Data Collection: Gathering data on weather conditions that impact hydrologic conditions and water supply.
- Predictive Information: Upstream gauges help forecast water flow entering reservoirs, while downstream gauges monitor the amount of water being released, ensuring Tacoma Power meets regulatory compliance.



- Data Reliability: Access to high-quality, reliable data collected by experienced USGS technicians, supporting Tacoma Power's operational and compliance needs.

This brings Tacoma Power's annual totals to \$357,274, plus applicable taxes, for Water Year 2025 and \$362,580, plus applicable taxes, for Water Year 2026, for a total cost of \$719,854, plus applicable taxes.

It is critical to continue utilizing USGS as a unique provider of gauge services and data. While the costs for the USGS program are significant, the City of Tacoma receives benefits that are unique to its continued relationship with USGS. These benefits include, but are not limited to the following:

- FERC Mandated: The FERC Licenses for the Cowlitz and Nisqually Projects mandate USGS gauges at specific locations. These gauges serve to document compliance of minimum flow and reservoir elevation requirements. The USGS FERC Programs account for the costs of these gauges. Tacoma has no discretion in the funding of these gauges.
- Cost Sharing for Coop Agreement: The USGS provides cost sharing for the gauges not stipulated by our FERC Licenses. These gauges provide essential information about the flows and meteorological conditions both upstream and downstream of our hydro projects. For the water year 2024, the USGS and partners will provide cost sharing of approximately 38.6 percent of the total operational costs.
- Reliable Data/Level of Service: The USGS field staff consists of highly skilled and experienced technicians that are responsible for the purchase, operations, maintenance, and repair of the gauging network. The reliability of data and level of service from the USGS has been excellent. Stream gauges are well maintained and seldom experience problems. In the rare instances when the gauges fail to transmit data, USGS field personnel have been very responsive, often servicing the gauges after-hours or on weekends.
- Impartial Third-Party Record: The USGS stands behind the data collected at the gauges. Data is managed through a rigorous Quality Assurance/Quality Control program. Streamflow information is often a contentious subject and is heavily scrutinized by resource agencies and the public, however the validity of the USGS record has never been questioned. In some cases, we have called upon the USGS to provide "certified" data that we have used in litigation and license negotiations.
- Long-Standing Relationship: Tacoma Power has benefited from a long-term partnership with USGS, fostering familiarity and continuity that can be lost with a new vendor.
- Specialized Services: The unique nature of hydrologic monitoring may not be easily replicated by other vendors. USGS's specialized services are tailored to Tacoma's specific needs, offering a level of expertise that might not be available elsewhere.
- Avoiding Transition Costs: Switching to any other provider would involve transition costs, including training, system integration, and potential disruptions in data collection.

BACKGROUND: Over the last five years, USGS has increased Tacoma Power's rates 3.9 percent on average. From 1993 through 2004, the USGS cost increased steadily at a rate of about three percent per year. USGS receives funds from the USGS Federal Priority Streamgauge (FPS) program, which allows for shared costs with Tacoma. The FPS program



receives Congressional appropriations to maintain a nationally designated network of streamflow gages that address the country's federal needs and priorities. FPS funding has not kept pace with inflation. The USGS proposed dramatic cost increases to address this issue, resulting in an initial 2025 proposal of \$351,254 that represented a 6.8 percent rate increase for Tacoma.

The City of Tacoma systematically reviews and scrutinizes the proposed costs. This year was no exception. In addition to informal communication, the team met with USGS on August 14, 2024, to negotiate a solution. The option of discontinuing City of Tacoma gauges was discussed; however, the City of Tacoma has been operating with the bare minimum of stream-gauging and meteorological information since 2005. The City of Tacoma also discussed with the River Forecast Center the impact of discontinued gauges, and the feedback was that it would present a degradation of forecast quality. The team agreed to spread the costs more evenly over the next two years, with the 2025 total being \$345,314, or a five percent increase, and a matching five percent increase in 2026.

This would have concluded negotiations, except for a gauge once fully funded by USGS, the Mineral Creek located near Mineral, WA. The Mineral Creek Gauge is integral to managing water resources and flood risks for the Nisqually basin. The loss of data from the gauge and potential impact to forecast accuracy could have implications for operations and risk management at the Nisqually Hydroelectric project. Once fully funded by USGS, they are unable to provide any funding toward the \$24,200 cost to maintain it for water year 2025.

Tacoma Power has taken the initiative to commit to funding this gauge and has reached out to key stakeholders of the Nisqually basin to contribute funds. Tacoma Power has also continued working with USGS to mitigate the full cost of the gauge, increasing its 2024 cost from the last negotiation point by \$11,960 rather than the full \$24,200. Through determined financial stewardship and close negotiation with USGS, Tacoma Power is now presenting a two-year contract, representing \$357,274 for 2025 and \$362,580 for 2026 that includes the Mineral Creek Gauge funding for a total of \$719,854. In 2025, there would be an 8.64 percent increase over 2024, putting the City of Tacoma above the Public Utility Board's pre-approved threshold.

ISSUE: The purpose of this project is to continue Tacoma Power's access to critical gauges for reservoir management, flood management, environmental compliance, FERC license compliance, and forecasting. As stated, FERC does require the City of Tacoma to contract with USGS on certain gauges.

ALTERNATIVES: For many of Tacoma Power's gauges, they are contractually required to work with USGS because of FERC agreements. It would be extremely difficult to end the partnership with USGS, not only due to regulatory compliance, but also because of the high quality data, expertise, regional experience, and seamless integration this decades-long partnership has provided to the City of Tacoma. Alternative partnerships would not be granted the same Federal funding that subsidizes USGS costs and would come at a premium. For these reasons, Tacoma Power is not exploring alternatives at this time.



COMPETITIVE ANALYSIS: Tacoma Power Resource Operations staff recommend that the City of Tacoma continue its interagency cooperative relationship with USGS for stream gauging at its hydro projects. For the FERC mandated gauges, Tacoma Power licenses explicitly dictate USGS gauges. For the Cooperative programs, the City of Tacoma receives numerous benefits including cost sharing, outstanding data reliability, and an independent third-party record.

This year’s USGS proposal for 2025 represented a 6.8 percent increase and was negotiated to five percent and locked the rate increase for 2025 and 2026. When the City of Tacoma discovered the discontinuation of the Mineral gauge previously funded completely by USGS, the team evaluated the gauge’s criticality and determined it would need to be funded.

SUSTAINABILITY: There are several factors that USGS gauges, and our continued access and partnership with the gauges, impact sustainability:

- **Water Management:** the data and forecasts allow us to optimize water usage and minimize waste, allowing for near-real-time data access for adaptive decision making.
- **Natural Resources Support:** gauge information supports natural resource sustainability, from supporting juvenile fish in side streams to supporting migration.
- **Public Awareness:** This partnership allows our community to stay informed on hydro conditions in a way that private partnerships likely would not.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not Applicable - EIC Exception: Interagency Agreement

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to these contracts.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 & Power (year 2025)	566600 Resource Operations in Operations and Trading	5310100	\$357,274
4700 & Power (year 2026)	566600 Resource Operations in Operations and Trading	5310100	\$362,580
TOTAL			Up to \$719,854

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700 & Power (year 2025)	566600 Resource Operations in Operations and Trading	5310100	(\$357,274)
4700 & Power (year 2026)	566600 Resource Operations in Operations and Trading	5310100	(\$362,580)
TOTAL			Up to (\$719,854)



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$89,318

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-11490
Item No.: 4
Meeting Date: NOVEMBER 13, 2024

TO: Board of Contracts and Awards
FROM: Heather Pennington, Superintendent, Tacoma Water
Stuart Vaughan, Division Manager, Tacoma Water
Kim DeFolo, Principal Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Brandon Snow, Senior Buyer, Finance/Purchasing
SUBJECT: Carbon Dioxide Supply for the Green River Filtration Facility
Request for Proposals Specification No. TW24-0226F, CW2269774 – November
13, 2024, Public Utility Board
DATE: October 25, 2024

RECOMMENDATION SUMMARY: Tacoma Water recommends a contract be awarded to Linde Inc, Pekin, IL, in the amount of \$208,400, plus applicable taxes, budgeted from the Tacoma Water Fund 4600, for an initial contract term of one year with the option to renew for four additional one-year renewal periods, for a projected contract amount of \$1,042,000, plus applicable taxes, for carbon dioxide supply and technical service.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.

The carbon dioxide provided by this contract is necessary to maintain operations of the Green River Filtration Facility (GRFF), which provides clean, reliable drinking water to all Tacoma residents and Tacoma Water customers.

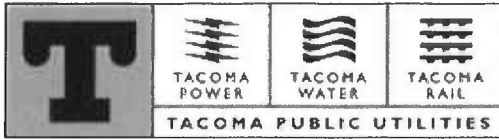
BACKGROUND: A contract is awarded every five years for delivery of carbon dioxide in bulk to the GRFF. Routine deliveries are required throughout the year and onsite technical service may also be requested.

ISSUE: Carbon dioxide is required at the GRFF for pretreatment of the water prior to filtration. Carbon dioxide is used to adjust the pH and increase the alkalinity of the Green River water.

ALTERNATIVES: If carbon dioxide was not purchased by Tacoma Water, GRFF operations would be complicated, and the drinking water supply may not be in compliance with federal and state drinking water regulations. The use of carbon dioxide for pH and alkalinity adjustment was selected during facility design as the most operationally suitable and cost-effective option for Tacoma Water; alternate chemicals cannot be purchased at this time without redesign and construction of treatment facilities.

COMPETITIVE SOLICITATION: Request for Proposals Specification No. TW24-0226F was opened October 22, 2024. Sixteen companies were invited to bid in addition to normal advertising of the project. One submittal was received.

A Selection Advisory Committee (SAC) evaluated the proposal based on onsite technical service capabilities, facility location and supply chain, references and past performance,



sustainability, pricing, and adherence to technical specifications. The SAC found Linde Inc to be a qualified proposer.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score (out of 300)</u>
Linde Inc	Pekin, IL	272

Pre-bid Estimate: \$225,000 for initial term
The recommended award is seven percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The specification described complies with the City of Tacoma's Sustainable Procurement Policy, encouraging the use of products or services that help minimize environmental and human health impacts. Up to five points could be awarded to each proposer based on their company's sustainability practices.

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
4600 Tacoma Water Fund	583612/588363	5216071	\$1,042,000
TOTAL			Up to \$1,042,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600 Tacoma Water Fund	581100	Various	(\$1,042,000)
TOTAL			Up to (\$1,042,000)

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-11490
Item No.: 5
Meeting Date: NOVEMBER 13, 2024

TO: Board of Contracts and Awards
FROM: Heather Pennington, Superintendent, Tacoma Water
Stuart Vaughan, Division Manager, Tacoma Water
Kim DeFolo, Principal Engineer, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, and Brandon Snow, Senior Buyer, Finance/Purchasing
SUBJECT: Water Treatment Chemical Supply for 2025
Request for Bids Specification No. TW24-0225F, Contract No. CW2269823,
Contract No. CW2269825, Contract No. CW2269828, Contract No. CW2269830,
Contract No. CW2269832, Contract No. CW2269835 - November 13, 2024
Public Utility Board
DATE: October 25, 2024

RECOMMENDATION SUMMARY: Tacoma Water recommends contracts be awarded to six low bidders, for a cumulative total for the six contracts of \$2,055,550, plus applicable taxes, budgeted from Tacoma Water Fund 4600, for a contract term of the 2025 calendar year with no option for renewal, for the supply of water treatment chemicals. The cumulative total for the six contracts is \$2,055,550, plus applicable taxes.

- Contract CW2269823 - Newco Inc dba Cascade Columbia Distribution Co, Seattle, WA, for \$259,000, plus applicable taxes
- Contract CW2269825 - Univar Solutions USA Inc, Kent, WA, for \$757,500, plus applicable taxes
- Contract CW2269828 - JCI Jones Chemicals Inc, Tacoma, WA, for \$516,000, plus applicable taxes
- Contract CW2269830 - Hasa Inc, Saugus, CA, for \$99,000, plus applicable taxes
- Contract CW2269832 - Chemtrade Chemicals Corp, Parsippany, NJ, for \$232,800, plus applicable taxes
- Contract CW2269835 - Thatcher Company, Salt Lake City, UT, for \$191,250, plus applicable taxes

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.

The chemicals provided by these contracts are necessary to maintain operations of the Green River Filtration Facility (GRFF) and the water treatment systems at Hood Street Reservoir, which provide clean, reliable drinking water to all Tacoma residents and Tacoma Water customers.

BACKGROUND: Contracts are awarded each year for water treatment chemicals, which are delivered in bulk to the GRFF in Ravensdale and Hood Street Reservoir in Tacoma.



ISSUE: Water treatment chemicals provide fluoridation, pH adjustment, and disinfection of the Green River water and South Tacoma groundwater. Chemicals are also required for pretreatment of the Green River supply prior to filtration.

ALTERNATIVES: Water treatment chemicals must be purchased by Tacoma Water. Without these chemicals, the water will not be safe to drink and Tacoma Water will not be in compliance with federal and state drinking water regulations.

The current chemicals were selected during facility design as the most operationally suitable and cost-effective options for Tacoma Water; alternate chemicals cannot be purchased at this time without redesign and construction of treatment facilities.

COMPETITIVE SOLICITATION: Request for Bids Specification No. TW24-0225F was opened October 15, 2024. Forty companies were invited to bid in addition to normal advertising of the project. Ten submittals were received.

The table below reflects the amount of the total award for each line item.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
Item 1a – Fluorosilicic Acid (GRFF)		
Newco Inc dba Cascade Columbia Distribution Co	Seattle, WA	\$224,000
Pencco, Inc	San Felipe, TX	\$270,720
Item 1b – Fluorosilicic Acid (Hood Street Reservoir)		
Newco Inc dba Cascade Columbia Distribution Co	Seattle, WA	\$35,000
Pencco, Inc	San Felipe, TX	\$42,300
Item 2 – 50% Sodium Hydroxide (GRFF)		
Univar Solutions USA Inc	Kent, WA	\$673,200
Northstar Chemical Inc	Monrovia, CA	\$677,700
JCI Jones Chemicals Inc	Tacoma, WA	\$747,000
Newco Inc dba Cascade Columbia Distribution Co	Seattle, WA	\$856,800
Item 3 – 25% Sodium Hydroxide (Hood Street Reservoir)		
Univar Solutions USA Inc	Kent, WA	\$84,300
Northstar Chemical Inc	Monrovia, CA	\$86,000
JCI Jones Chemicals Inc	Tacoma, WA	\$103,700
Newco Inc dba Cascade Columbia Distribution Co	Seattle, WA	\$124,000
Item 4a – Sodium Hypochlorite (Primary Supply)		
JCI Jones Chemicals Inc	Tacoma, WA	\$516,000
Hasa Inc	Saugus, CA	\$518,700



Item 4b – Sodium Hypochlorite (Back-up Supply)

Hasa Inc	Saugus, CA	\$99,000
JCI Jones Chemicals Inc	Tacoma, WA	\$102,500
Northstar Chemical Inc	Monrovia, CA	\$153,500

Item 5 – Aluminum Sulfate

Chemtrade Chemicals Corp	Parsippany, NJ	\$232,800
Thatcher Company	Salt Lake City, UT	\$244,400
Univar Solutions USA Inc	Kent, WA	\$264,800
Kemira Water Solutions Inc	Lawrence, KS	\$320,800

Item 6 – Aluminum Chlorohydrate

Thatcher Company	Salt Lake City, UT	\$191,250
Northstar Chemical Inc	Monrovia, CA	\$193,050
Kemira Water Solutions Inc	Lawrence, KS	\$202,050
USALCO LLC	Baltimore, MD	\$211,500
Univar Solutions USA Inc	Kent, WA	\$217,350
Chemtrade Chemicals Corp	Parsippany, NJ	\$441,000

Pre-bid Estimate: \$2,100,000

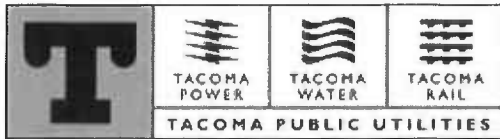
The recommended award is two percent below the pre-bid estimate.

CONTRACT HISTORY: New contracts.

SUSTAINABILITY: The specification described complies with the City of Tacoma’s Sustainable Procurement Policy, encouraging the use of products or services that help minimize environmental and human health impacts.

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 these contracts.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600 Tacoma Water Fund	583612/588363/ 583613	5216070/521 6071	\$2,055,550
TOTAL			Up to \$2,055,550

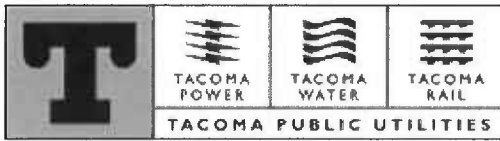
REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600 Tacoma Water Fund	581100	Various	(\$2,055,550)
TOTAL			Up to (\$2,055,550)

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-11490
Item No.: 6
Meeting Date: NOVEMBER 13, 2024

TO: Board of Contracts and Awards
FROM: Heather Pennington, Interim Superintendent, Tacoma Water
Jerrod Davis, Division Manager, Tacoma Water
Nikolas Novotny, Fisheries Biologist, Tacoma Water
COPY: Public Utility Board, Director of Utilities, Board Clerk, EIC Coordinator, LEAP
Coordinator, Brandon Snow, Senior Buyer, Finance/Purchasing
SUBJECT: Fish Habitat Mitigation and Restoration Projects
Request for Qualifications Specification No. TW24-0128F, Contract No.
CW2268259 – November 13, 2024, Public Utility Board
DATE: October 21, 2024

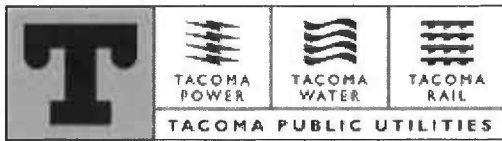
RECOMMENDATION SUMMARY: Tacoma Water recommends a contract be awarded to Natural Systems Design Inc (NSD), Seattle, WA, in the amount of \$800,000, plus applicable taxes, budgeted from Regional Water Supply System (RWSS) Operating Fund 4600, for an initial contract term of two years with the option to renew for two additional three-year terms, for a project contract amount of \$1,450,000, plus applicable taxes, for fish habitat consulting and engineering services.

BACKGROUND: This project will prepare Tacoma’s municipal watershed for the reintroduction of salmon above Howard A. Hanson Dam (HAHD) and meet fish habitat obligations made through the Additional Water Storage Project (AWSP) and Tacoma Water’s Endangered Species Act (ESA) incidental take permits. NSD will develop an initial mitigation and restoration plan consistent with the best available science, current conditions, and applicable regulating documents. This preliminary plan will then be reviewed by the U.S. Army Corps of Engineers (USACE), among other stakeholders, to provide guidance and modifications as necessary to eventually approve for implementation. Actual implementation including design, construction support services, and commissioning will occur as a separate or amended contract.

Tacoma Water and the USACE developed the AWSP to provide storage for Tacoma’s municipal and industrial water supply. The AWSP was authorized in 1999, the same year Chinook salmon (*Oncorhynchus tshawytscha*) were listed as threatened under the ESA. In response to the listing, Tacoma Water developed the Green River Habitat Conservation Plan (HCP) in 2001 to secure ESA incidental take permits necessary for continued exercise of its water diversion. While the AWSP incorporated several measures to protect ESA listed species, including downstream fish passage at HAHD, but also included fish habitat mitigation and ecosystem restoration projects.

Objectives for the mitigation and ecosystem restoration projects were to compensate for the area inundated by the AWSP and to restore portions of habitat impacted during the original construction of HAHD, respectively. These measures provided the basis to accomplish both fish habitat mitigation and ecosystem restoration, hereby referred to as fish habitat projects. By constructing these projects, mitigation and ecosystem restoration objectives for the AWSP are met, but only if the projects remain functional and meet project goals over time.

Tacoma Water and the USACE then signed the Project Cooperation Agreement (PCA) in 2003, which detailed responsibilities for the AWSP.



Tacoma Water will ultimately be responsible for all costs associated with operating, maintaining, and monitoring the fish habitat projects. The AWSP was thus implemented in a two-phased approach. In the first phase, fish habitat projects were constructed between 2003 and 2010 and the reservoir was raised in 2007. However, the most substantial component, construction of the downstream fish passage facility at HAHD, was suspended in 2011. Hence, the first phase was not completed, and Tacoma Water did not receive its full water storage allotment from the AWSP. Without downstream fish passage at HAHD the fish habitat projects do not benefit the intended species. Therefore, Tacoma Water sought to delay maintenance of the fish habitat projects until salmon are scheduled for reintroduction.

However, because HAHD fish passage is to be completed by 2030, Tacoma Water must begin considering how to meet fish habitat obligations under the AWSP by adaptively managing the projects using the aforementioned mitigation and restoration plan; using the present flexibility to determine how projects are maintained and how objectives are met.

ISSUE: The overall goal of this project is to meet Tacoma Water's fish habitat obligations, complete this component of the AWSP and receive Tacoma Water's full water allotment. This will be accomplished by first defining mitigation targets and ecosystem restoration objectives, as detailed in this contract, before implementing the NSD developed plan as a separate or amended contract. This may require extensive planning, assessing, and negotiating but through this effort, Tacoma Water's measure of success will be clear, while still being realistic and beneficial with a clear project ending (i.e., SMART goals: Specific, Measurable, Achievable, Realistic, Time-bound). Project success will be measured by the establishment and acceptance of a mitigation and restoration plan, followed by the execution of said plan including design and construction prior to the reintroduction of salmon in 2030.

ALTERNATIVES: After Tacoma Water consulted the USACE, the recommended approach was for Tacoma Water to hire a consultant to help develop recommendations to meet the fish habitat projects objectives (i.e., Tacoma-developed mitigation and restoration plan). Other alternatives considered included delayed design or construction, USACE-developed plan, and no action. Each alternative followed the same assumption of HAHD completing their project on time. Advancing, delaying, or canceling fish passage at HAHD would result in an in-kind response by Tacoma Water.

Alternative One (RECOMMENDED): This alternative would utilize NSD as detailed above. Professional services costs would be the only additional expense compared to the alternative below. This alternative permits Tacoma Water to dictate what happens on its property while meeting obligations in time for fish passage. Additionally, an implementation schedule developed with the consultant would inform the timing of these projects. The implementation schedule would be based on the volume of work, estimated time to complete individual projects, and the total time to complete all projects in time for fish passage at HAHD.

Alternative Two: This alternative would selectively delay different phases of the fish habitat projects. This would be achieved by first going through the pre-design phase with NSD to gain full understanding of the volume of work required then selectively delaying design or construction phases of individual projects based on funding availability.



If work is not complete when HAHD fish passage is complete, then Tacoma Water would not receive its full water storage allotment until all projects are complete. The other consequence of this alternative is potentially constructing in-water fish habitat projects while ESA-listed fish species are present. This would make project construction immensely more complicated and expensive because of best management practices and the need for federal permits.

Alternative Three: This alternative would be a USACE-developed mitigation and restoration plan. Tacoma Water would still be expected to implement said plan so the only cost saved would be from a professional services contract. However, through recent consultation, the USACE expects Tacoma Water to develop its own plan.

Alternative Four (NO ACTION): The no action alternative would continue business as usual, taking no actions to meet fish habitat obligations. The most likely consequence of this alternative would be Tacoma Water not receiving its full water storage allotment. But the most substantial risk cost of this alternative could be realized in the form of third-party lawsuits, if Tacoma Water was determined negligent in meeting their fish habitat obligations.

COMPETITIVE SOLICITATION: Request for Qualifications (RFQ) Specification No. TW24-0128F was opened July 16, 2024. Three hundred fifty-three companies were invited to bid in addition to normal advertising of the project. Eight submittals were received. The three highest scoring companies were short-listed and invited for interviews. The Selection Advisory Committee (SAC) determined NSD demonstrated a high level of experience and qualifications. The table below reflects the three short-listed firms, their location, and their total SAC scores.

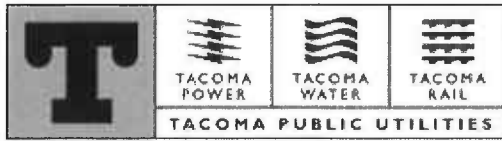
<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Score</u>
Natural Systems Design Inc	Seattle, WA	555
SP Cramer & Associates Inc	Gresham, OR	522
Environmental Science Associates – E S A	Seattle, WA	503

CONTRACT HISTORY: New contract

SUSTAINABILITY: Not applicable

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
4600-RWSS Operating Fund	WTR-00740	Various	\$1,450,000
TOTAL			Up to \$1,450,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600- Water System Development Charge	WTR-00740	6311185	(\$604,167)
4600-RWSS Operating Fund	WTR-00740	6311195	(\$845,833)
TOTAL			Up to (\$1,450,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$15,108, plus any applicable taxes

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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