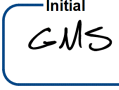




**Contract and Award Letter
Purchase Resolution – Exhibit “A”**

TO: Board of Contracts and Awards
FROM: Geoffrey M. Smyth, P.E. Interim Director, Environmental Services
Josiah Rowell, Warehouse Supervisor, Operations & Maintenance
Initial

COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and
Stan Rowden II, Finance/Purchasing
SUBJECT: Purchase of two VXRail Systems for PCS Upgrade at the Central & North End
Treatment Plants
Contract No. CW2268490/WA State DES Contract No. 05820 – March 18, 2025
City Council
DATE: February 5, 2025

RECOMMENDATION SUMMARY: The Environmental Services Department (ES) recommends awarding a contract to Cerium Networks Inc., Bothell, WA, in the amount of \$693,410, plus applicable taxes, plus a 10 percent contingency, for a projected contract amount of \$762,751, plus applicable taxes. This project is budgeted from the ES Wastewater Fund 4300, for the purchase of two upgraded VXRail Systems to support the Plant Control Systems (PCS) at the North End and Central Treatment Plants.

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

Upgrading the PCS infrastructure ensures reliable water treatment operations, directly supporting public health, safety, and environmental stewardship. Expanding capacity enhances service continuity, ensuring all residents have access to a clean and sustainable environment. Improved efficiency and scalability support environmental goals by optimizing resource use and reducing operational risks. This investment promotes fiscal sustainability and strengthens government effectiveness by preventing costly system failures.

BACKGROUND: The PCS operates two VXRail systems on private networks, each with three physical servers (nodes) at the Central Treatment Plant (CTP) and North End Treatment Plant (NETP). These systems support 18 virtual servers for plant operations (12 at CTP, 6 at NETP) and 13 additional virtual servers/workstations for analytics, security, remote services, HVAC, and other critical functions. With current capacity at 80 to 84 percent and projected to exceed 90 percent within one to two years due to growing operating system and software demands, an upgrade is essential. Replacing the existing VXRail systems with new four-node models at both CTP and NETP would effectively double capacity to ensure long-term scalability, reliability, and operational efficiency.

ISSUE: This upgrade addresses the imminent risk of system overload by expanding capacity, ensuring reliable plant operations, and preventing service disruptions.



ALTERNATIVES: An alternative to this upgrade is continuing to operate the existing infrastructure until it reaches full capacity. However, this approach could result in system slowdowns, increased maintenance costs, higher failure risks, and potential service disruptions.

COMPETITIVE SOLICITATION: WA State DES Contract No. 05820, based on NASPO ValuePoint (NVP) Master Agreement No. 23004, was awarded on January 31, 2024, and runs through June 30, 2025, with a final contract expiration date of June 30, 2028. By utilizing this contract, the City can acquire essential equipment and services at pre-negotiated prices, terms, and conditions. This cooperative purchasing approach maximizes cost savings by leveraging volume discounts and market efficiencies.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: This upgrade enhances sustainability by optimizing energy efficiency, extending system longevity, and supporting advanced automation that reduces resource waste and minimizes environmental impact.

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

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
ES Wastewater Fund 4300	ENV-00099-03-05	5220150	\$762,751
TOTAL			Up to \$762,751

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	523900	4343150	(\$762,751)
TOTAL			Up to (\$762,751)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$762,751

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. NA