



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
John Burk, P.E., Division Manager, Science and Engineering
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Samol Hefley Finance/Purchasing
SUBJECT: Contract Extension and Increase, Specification No.ES16-0314F,
Contract No. 4600011979 – August 6, 2019
DATE: July 18, 2019

RECOMMENDATION SUMMARY:

The Environmental Services request approval to extend and increase Contract No. 4600011979 with Kidder Mathews LLC, by \$2,600,838.79, plus applicable tax, for a cumulative contract total not to exceed \$6,400,838.79, budgeted from the ES Wastewater Fund 4300, for the Center for Urban Waters building management and maintenance services, through December 31, 2021.

STRATEGIC POLICY PRIORITY

- Assure outstanding stewardship of the natural and built environment.

Located on Commencement Bay in Tacoma, the Center for Urban Waters (CUW) was designed to be a premiere Leadership in Energy and Environmental Design (LEED) Gold certified environmental research facility focused on developing solutions to the problems facing urban bay communities. The facility is home to City of Tacoma Environmental Services, University of Washington Tacoma researchers and the Puget Sound Partnership. The three CUW building occupants function as a partnership bringing together researchers, policy makers, engineers, and students to develop and implement solutions protecting the Puget Sound.

BACKGROUND:

The Center for Urban Waters located at 326 East D Street in Tacoma, Washington, and the property commonly known as the CUW Survey Annex located at 303 East D Street, Tacoma, Washington have been managed and maintained via a contract between TES Properties and Kidder Mathews (KM) LLC. The City exercised the option to purchase CUW on June 15, 2016. The previous building management and maintenance services contract between TES Properties and KM terminated on September 12, 2016.

ISSUE: The initial three-year term ends September 12, 2019. The City desires to exercise the option to extend the contract for two-additional one-year terms. Additionally, Environmental Services (ES) would like to extend the second year through to the end of the fiscal year to December 31, 2021 and increase the contract amount. As the current owner, the City must engage its own building management and maintenance services firm with capabilities and experience to manage and maintain a LEED for Existing Buildings: Operations and Maintenance (LEED/EBOM) Gold certified building by September 13, 2019.



ALTERNATIVES:

Alternatives would be to have maintenance performed by ES personnel. However, ES does not have the staff, expertise, or experience to manage and maintain this type of building or to not perform maintenance services.

COMPETITIVE SOLICITATION:

Request for Proposals (RFP) Specification No. ES16-0314F was opened August 2, 2016. Three companies were invited to bid in addition to normal advertising of the project. One submittal was received and was awarded to Kidder Mathews LLC.

CONTRACT HISTORY: This contract was awarded as a result of RFP Specification No. ES16-0314F in August 2016, for \$ 3,800,000, with the option to extend for two additional one-year terms. The City Council approved this contract and terms by Resolution No. 39529. Kidder Mathews LLC performance of building management and maintenance services has been satisfactory and stable since 2010.

SUSTAINABILITY: The Center for Urban Waters is a LEED/EBOM Gold certified facility. CUW operations and maintenance are conducted in accordance with LEED/EBOM requirements.

SBE/LEAP COMPLIANCE: Not applicable.

DISADVANTAGED BUSINESS ENTERPRISE (DBE): Not applicable.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund	523400	5320100	\$2,600,838.79
TOTAL			\$2,600,838.79

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund	523900	Rate Revenues	\$2,600,838.79
TOTAL			\$2,600,838.79

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,268,701.85

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

FINANCE PURCHASING
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