

Resolution No.:

Meeting Date: July 22, 2025

Contract and Award Letter Purchase Resolution – Exhibit "A"

TO: Board of Contracts and Awards **FROM:** Christopher D. Bacha, City Attorney

COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and

Stan Rowden II, Senior Buyer, Finance/Procurement

SUBJECT: Amendment to Legal Services Agreement with Davis Wright Tremaine, LLP

Contract No. CW2264734 - July 22, 2025 City Council

DATE: 6/25/2025

RECOMMENDATION SUMMARY: The City Attorney's Office requests approval to increase Contract No. 4600013555 with Davis Wright Tremaine, LLP, ("Davis Wright Tremaine") by \$350,000, budgeted from the City Attorney's Office, Fund 5800 Information Services, for legal services and representation to the City in matters relating to the Western Metals Multiemployer Plan. This increase will bring the contract to a projected total of \$750,000.

STRATEGIC POLICY PRIORITY:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND: Davis Wright Tremaine was hired to represent Tacoma Rail in connection with strategy and negotiations regarding the Western Metal Industry Pension Fund supplemental pension benefits and to assist in resolving withdrawal liability issues if it should cease contributing to the Pension Fund. The matter went to arbitration and Davis Wright Tremaine prevailed, which resulted in a cash flow savings to the City of Tacoma of \$4,194,750. A new federal District Court case was filed in January of 2024 to enforce the arbitration award and the Pension Fund filed a counterclaim to vacate the award. It is now necessary for Davis Wright Tremaine to defend the City's interests in this recent court case.

ISSUE: This request to increase funding is made so that Davis Wright Tremaine can continue its representation of the City in the Western Metal Industry Pension Fund case.

ALTERNATIVES: One alternative is to retain a different law firm. This would have no positive impacts. Retaining a new law firm would necessarily increase the cost of legal services and negatively impact the City's ability to complete necessary work. Another alternative is to use inhouse counsel. This would have no positive impacts. Davis Wright Tremaine has specialized knowledge and experience and is actively representing the City in litigation with Western Metals Multiemployer Plan. The City Attorney's Office does not have the in-house resources that are necessary to effectively advocate on behalf of the City in the current litigation.

COMPETITIVE ANALYSIS: Davis Wright Tremaine was engaged to represent the City of Tacoma with respect to strategy and negotiations regarding the Western Metal Industry Pension Fund withdrawal liability and associated matters. Davis Wright Tremaine has specialized knowledge and experience in this practice area.

CONTRACT HISTORY: This contract was originally awarded to Davis Wright Tremaine on October 30, 2018 for representation of Tacoma Rail in connection with strategy and

Revised: 04/28/2025

Tacoma

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negotiations regarding the Western Metal Industry Pension Fund supplemental pension benefits and to assist in resolving withdrawal liability issues if it should cease contributing to the Pension Fund. On October 16, 2019, the parties amended the agreement for the purpose of modifying the Scope of Services to represent the City of Tacoma and Tacoma Rail in connection with strategy and negotiations regarding the Western Metal Industry Pension Fund supplemental pension benefits and to assist in resolving withdrawal liability issues if the City should cease contributing to the Pension Fund. Then, on March 12, 2024, the parties entered into Amendment No. 2 to the Agreement for the purpose of supplementing the Scope of Services in connection with litigation, strategy, and negotiations regarding the Western Metal Industry Pension Fund withdrawal liability and associated matters. The Amendment also provided for updated billing rates and an increase in the compensation by \$350,000, for a new not to exceed amount of \$750,000.

SUSTAINABILITY: Amending the City's contract with outside counsel will not increase the City's carbon footprint as the majority of all meetings have been held remotely to minimize the carbon footprint associated with travel for in-person meetings.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - EIC Exception: Direct Negotiation Waiver.

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
Fund 5800 Information Systems	598100	5311300	\$350,000
TOTAL			Up to \$350,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 5800 Information Systems	598100	5950399	(\$350,000)
TOTAL			Up to (\$350,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 350,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES

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