



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services *MJS*
Daniel C. Thompson, Ph.D., Division Manager, Business Operations
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, Joseph Parris, Senior Buyer, Finance/Purchasing; Steve Schmidt, Assistant Division Manager
SUBJECT: Sandy Soil for TAGRO Operations – Contract Increase, Request for Bids Specification No. PW10-0047F, Contract No. 4600006581 – April 29, 2014
DATE: April 16, 2014

SUMMARY:

The Environmental Services Department requests approval to increase and extend Contract No. 4600006581 with Harlow Construction Co, Inc., Lakewood, WA, in the amount of \$105,000, sales tax not applicable, for a cumulative total of \$305,000, budgeted from the ES Wastewater Fund 4300, for sandy soil used in the creation of TAGRO soil amendments, through September 30, 2015.

STRATEGIC POLICY PRIORITY:

- Strengthen and maintain a strong fiscal management position.
- Foster neighborhood, community, and economic development vitality and sustainability.

The City of Tacoma TAGRO products provide for the recycling of 100 percent of the biosolids produced in the City of Tacoma.

BACKGROUND:

ISSUE: The contract increase was anticipated based on the estimated annual usage, the initial contract period, and subsequent contract renewals allowed by the contract.

ALTERNATIVES: The alternative to not increasing and extending existing contract through the end of the allowable contract period, will require the contract to terminate and create a new bid, new product specification review, new approvals, potentially new and increased unit pricing, new quality control review for a new sandy soil product provided by a different vendor, new delivery instructions communicated for the product to maintain this high quality raw material in the City TAGRO product. Rebidding the material contract at this time would be detrimental to sustaining TAGRO production in the current peak demand season for TAGRO products.

COMPETITIVE SOLICITATION: This contract was originally awarded to Harlow Construction Co, Inc. as a result of Request for Bids Specification No. PW10-0047F in September 2010. The contractor has agreed to increase the contract at the same prices, terms, and conditions as the original contract.

CONTRACT HISTORY: The proposed contract increase would be the third renewal of the original contract with Harlow Construction Co, Inc. The original contract was a result of Request for Bids Specification No. PW10-0047F in September 2010, in the amount of \$165,600, sales tax not applicable, for an initial two-year term with the option to renew for three additional one-year terms. The contract was administratively increased in May 2013 by \$34,000. This contract increase, in the amount of \$105,000, would bring the contract to a cumulative total of \$305,000, through September 30, 2015.

SUSTAINABILITY: The City of Tacoma TAGRO products provide for the recycling of 100 percent of the biosolids produced in the City of Tacoma. The sandy soil on Contract No. 4600006581 is acceptable



for use as an ingredient in making TAGRO soil amendment products at Tacoma's Central Wastewater Treatment Plant. TAGRO is an organic soil amendment, manufactured with dewatered biosolids, sawdust, and sandy soil. The highest quality raw materials are required to meet the product quality standard for TAGRO products.

RECOMMENDATION:

The Environmental Services Department recommends approval of an increase and extension of Contract No. 4600006581 with Harlow Construction Co, Inc., Lakewood, WA, in the amount of \$105,000, sales tax not applicable, for a cumulative total of \$305,000, for sandy soil used in the creation of TAGRO soil amendments, through September 30, 2015.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	527000	5241000	\$105,000
TOTAL			\$105,000

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	523900	4343150	\$105,000
TOTAL			\$105,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$55,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes, for the 2013/2014 Budget.

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

Funding beyond the current biennium is subject to future availability of funds. Funds are anticipated to be included in the 2015/2016 Biennium Budget. No budget modifications are required.