



City of Tacoma

Resolution No.:

Meeting Date: August 13, 2024

**Contract and Award Letter  
Purchase Resolution —Exhibit "A"**

**TO:** Board of Contracts and Awards  
**FROM:** Geoffrey M. Smyth, P.E., Interim Director, Environmental Services  
Shane Pettit, Assistant Division Manager, Solid Waste Management  
**COPY:** City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and Stan Rowden II, Finance/Purchasing  
**SUBJECT:** Solid Waste Management East and West Compactor Maintenance Services  
Not Practicable to Bid Waiver, Contract No. CW2248349 – August 13, 2024  
City Council  
**DATE:** July 12, 2024

<sup>DS</sup>  
GMS

**RECOMMENDATION SUMMARY:** The Environmental Services Department (ES) requests approval to increase contract CW2248349, with SSI Shredding Systems, Inc., Wilsonville, Oregon, by \$2,000,000, plus applicable taxes, budgeted from the ES Solid Waste Fund 4200, for a cumulative total of \$4,933,968, plus applicable taxes, for on-going maintenance of Solid Waste Management's (SWM) East and West Compactors.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

ES provides solid waste collection and disposal services for the community. This equipment is vital to providing these services as it allows ES to compact and process the solid waste collected, manage the number of transfer trips, and provide the best value to the City of Tacoma's (City) rate payers for disposal services.

**BACKGROUND:** The original contract with SSI Shredding Systems, Inc. was executed February 1, 2021, to provide maintenance to SWM's East and West Compactors for a five-year term.

**ISSUE:** Major rebuilds required on the East and West Compactors at the SWM facility have exhausted funds available on the contract. Remaining funds available on the contract will not be enough to cover maintenance costs if needed. Compactor maintenance is an integral part of maintaining critical solid waste services. SSI Shredding Systems, Inc. is the manufacturer, sole distributor, supplier of parts and the only qualified company to perform maintenance and services specific to this equipment.

**ALTERNATIVES:** Not maintaining the current compactors would result in equipment failures that could disrupt providing disposal services essential to operations.

**CONTRACT HISTORY:** This contract was originally awarded to SSI Shredding Systems, Inc. for a five-year term as a result of a Not Practicable to Bid Waiver approved by City Manager Action Memorandum October 29, 2020.

**SUSTAINABILITY:** This contract will allow for ES to continue to reduce the City's greenhouse gas emissions through reduction of the number of trips required for disposal of solid waste generated by City customers.



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
4200 ES Solid Waste Fund	80017225	5320100	\$2,000,000
<b>TOTAL</b>			<b>Up to \$2,000,000</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4200ES Solid Waste Fund	512000	Various	(\$2,000,000)
<b>TOTAL</b>			<b>Up to (\$2,000,000)</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,000,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

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



City of Tacoma

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**Date:** August 26, 2020

**To:** Patsy Best, Procurement and Payables Division Manager

**From:** Michael P. Slevin, III, Director  
Environmental Services Department

**Subject:** Waiver of Competitive Solicitation Request – [SR2513326056  
 Sole Source Purchase – TMC 1.06.257.A  
 Not Practicable to Bid – TMC 1.06.257.B  
SSI Shredding Systems, Inc. East West Compactor Maintenance

Environmental Services Department (ES) Solid Waste Management (SWM) requests a waiver of competitive solicitation process for compactor maintenance contract for the East and West Compactors located at the Solid Waste Management Recovery and Transfer Center (RTC) located at 3510 South Mullen Street. The supplier is SSI Shredding Systems Inc., Wilsonville, Oregon.

Approval of this request constitutes a waiver of further competitive solicitation for amendments to the subject contract provided that any such amendment(s) shall be signed by personnel as authorized in the Delegation of Procurement Signature and Approval Authority memorandum. Contract totals shall not exceed \$500,000 without City Council approval as appropriate.

**“Follow-on” Contracts:**

SWM issued a Request for Bid in February 2020 and again in April 2020 for a service contract to provide maintenance for the East and West Compactors. No bids were received for these solicitations.

SWM issued RFP PW10-0255F for the purchase of two new Solid Waste Compactors through a competitive bid process. The compactors were installed in the RTC in October 2011. The SSI compactors were covered by a warranty that required only SSI Shredding Systems Inc. to perform scheduled maintenance activities to maintain the validity of the warranty in Contract 4600006602 until December 31, 2013. Additional sole source waivers were approved, issuing contracts 4600008442 from November 1, 2012 to October 31, 2013 for \$136,326 and 4600011475 from February 16, 2016 to February 15, 2019 for \$178,364 as SSI Shredding Systems Inc. remained the manufacturer, sole distributor, supplier of parts and qualified company to perform maintenance and service specific to the SSI compactor equipment.

**Waiver Criteria:**

1. Per Purchasing Policy Manual Section XXI, this purchase is justified as a Sole Source or Not Practicable to Bid for the following reason(s):

**Not Practicable to Bid:**

- An immediate and important need for proposed construction, installation, repair, materials, supplies, equipment, or services where the delay that would result from following the requirements of the competitive solicitation process would cause financial loss to the City or an interruption of vital services to the public.
- Special facilities or market conditions (see RCW 39.26.125).
- Specially tailored or performance criteria-based products such as computer systems or equipment.
- Supplier selection is not controlled by the City.

2. Support your contention that it would be futile to advertise and competitively solicit the product/service. Include any technical or unique product/service attributes that prevent drafting specifications for a competitive solicitation to which more than one supplier could successfully respond.

A Request for Bid was issued twice under a competitive solicitation but no bids were received.

3. Describe the screening efforts made to identify potential suppliers.

The Request for Bids were advertised using our normal outlets. Bid solicitation packages were sent to SSI Shredding Systems Inc. and Custom Controls.

4. Describe the efforts made to assure that the City is receiving the lowest or best price possible.

N/A – based on the not practical to bid declaration.

5. Is this a one-time or on-going purchase?

One-time. Estimated one-time cost, including shipping: \$, plus applicable sales tax.

Ongoing. Estimated total cost, including shipping, for projected contract term of 5 years: \$2,933,968.00, plus applicable sales tax.

**Funding:** Funds for this purchase are available in the 4200 ES Solid Waste Fund.

**EIC Compliance:** The maintenance of this equipment is not considered a Public Work and Improvement thus not subject to EIC requirements. The Community and Economic Development Department was consulted and made this determination.

**Project Coordinator:** Jody Bratton, P.E., Science and Engineering Division, 253-502-2188 and Jim Nunn, Solid Waste Management, 253-573-2419.