



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services *MPS*
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: Black Bark for TAGRO Operations – Contract Increase, Request for Bids Specification No. PW10-0844F, Contract No. 4600007339 – April 29, 2014
DATE: March 6, 2014

SUMMARY:

The Environmental Services Department requests approval to increase Contract No. 4600007339 with Swanson Bark and Wood Products Inc., Longview, WA, in the amount \$300,000, sales tax not applicable, for a cumulative total of \$500,000, budgeted from the ES Wastewater Fund 4300, for Black Bark used in the creation of TAGRO Potting Soil, through June 30, 2016.

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 biosolids produced in the City of Tacoma.

BACKGROUND:

ISSUE: Greater than anticipated usage has occurred and will continue to occur due to increases in sales volume of the TAGRO potting soil.

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 black bark/potting soil product provided by a different vendor, and new delivery instructions communicated for the product to maintain this high quality raw material in the City TAGRO product. Rebidding the material contact 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 Swanson Bark and Wood Products, Inc. as a result of Request for Bids Specification No. PW10-0844F in June 2011. 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 second renewal of the original contract with Swanson Bark and Wood Products, Inc. The original contract was a result of Request for Bids Specification No. PW10-0844F in June 2011, in the amount of \$178,328, 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 on August 7, 2013, by \$21,672. This contract increase, in the amount of \$300,000, would bring the contract to a cumulative total of \$500,000, sales tax not applicable through June 30, 2016.



SUSTAINABILITY: The City of Tacoma TAGRO products provide for the recycling of 100 percent of the biosolids produced in Tacoma. The black bark on Contract No. 4600007339 is acceptable for use as an ingredient in making TAGRO Potting Soil and related products at Tacoma's Central Wastewater Treatment Plant. TAGRO is an organic, manufactured potting soil made with dewatered biosolids, black bark, and sawdust. It is available to residential and farming communities for use on landscaping, gardens, and some nursery potting operations. The TAGRO potting soil helps make a more workable non-mineral growing media. The highest quality raw materials are required as this product is used on thousands of residential properties.

RECOMMENDATION:

The Environmental Services Department requests approval to increase Contract No. 4600007339 with Swanson Bark and Wood Products Inc., Longview, WA, in the amount \$300,000, sales tax not applicable, for a cumulative total of \$500,000, budgeted from the ES Wastewater Fund 4300, for Black Bark used in the creation of TAGRO Potting Soil, through June 30, 2016.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	527000	5241000	\$300,000
TOTAL			\$300,000

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	523900	4343150	\$300,000
TOTAL			\$300,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$100,000

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.