

City of Tacoma

City Council Action Memorandum Purchase Resolution - Exhibit "A"

TO:

Board of Contracts and Awards

FROM:

James P. Duggan, Fire Chief

Michael Fitzgerald, Assistant to the Chief, Budget & Finance

COPY:

City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and

Richelle Krienke, Finance/Purchasing

SUBJECT:

Sole Source Purchase - Hazardous Materials Diagnostic Equipment

(Thermo Eberline LLC) - February 16, 2016

DATE:

January 28, 2016

SUMMARY:

The Tacoma Fire Department (TFD) recommends that competitive bidding be waived and a sole source contract be awarded to Thermo Fisher Scientific dba Thermo Eberline LLC, Franklin, Massachusetts (Thermo), in the amount of \$368,303.68, plus tax, for specialized diagnostic equipment for the Hazardous Materials Abatement Team (HazMat).

STRATEGIC POLICY PRIORITY:

Strengthen and support a safe city with healthy residents.

The equipment proposed for purchase will enhance the ability of the TFD HazMat team to protect the public from hazardous substance exposures.

BACKGROUND:

Thermo hazmat equipment in use by the Fire Department includes proprietary operating features, and only Thermo equipment and software functions as a common scalable network platform to monitor, detect, and analyze data from multiple land based and marine hazardous threats. This request is for the purchase of additional Thermo detector equipment to expand and enhance TFD's hazardous material detection and response capabilities.

ISSUE: TFD proposes that an additional sole source contract be awarded to Thermo totaling \$368,303.68, plus tax, for additional diagnostic equipment for the HazMat Team.

ALTERNATIVES: The City could choose not to make this purchase. However, the proposed equipment provides needed additional hazmat equipment to expand and enhance TFD HazMat's ability to detect hazardous substances. Moreover, more than half of the proposed purchase will be funded from federal Port Security Grant funds and TFD has available budgeted non-General Fund moneys to provide the balance of the needed funding.

CONTRACT HISTORY: In 2012 and again in 2015, primarily using federal Port Security Grant funding, sole source purchases totaling \$104,238.50, plus tax, acquired diagnostic equipment and implemented a network of detectors to monitor, detect, and analyze potential threats. The current proposed purchase utilizes additional Port Security Grant funds and Fire Miscellaneous Special Revenue Fund moneys to purchase additional detector equipment totaling \$368,303.68, plus tax, to expand and enhance HazMat detection and response capabilities.



SUSTAINABILITY: An additional benefit of a contract award to a Thermo Fisher Scientific corporate entity is its record of strong commitment to sustainability and environmental responsibility. Across its entire product line, the firm has a goal to "manufacture products with minimal environmental impact." That translates into standard practices that provide clean manufacturing, reduced waste, improved energy efficiency and water conservation. Thermo's "think green" corporate policy also encourages waste reduction, recycling and environmental awareness in its non-manufacturing activities. Many of Thermo's products help scientists improve public health and minimize environmental impacts. TFD uses Thermo equipment to protect the public and the environment from hazardous substance exposures.

SBE/LEAP COMPLIANCE: Not Applicable

RECOMMENDATION:

TFD recommends that competitive bidding be waived and a sole source contract be awarded to Thermo in the amount of \$368,303.68, plus tax, for specialized diagnostic equipment for hazardous material detection and response.

FISCAL IMPACT: (Sales Tax Additional for All Amounts Shown)

EXPENDITURES:

Fund Number & Fund Name *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1090 Fire Misc Spec Revenue	878000	5642500	\$250,789.48
1090 Fire Misc Spec Revenue	668500	5642500	\$117,514.20
TOTAL			\$368,303.68

^{*} General Fund: Include Department

REVENUES:

Funding Source	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
2015 Port Security Grant Program	878000	4331003	\$188,092.11
1090 Fire Misc Spec Revenue (grant match)	668500	4300000	\$62,697.37
1090 Fire Misc Spec Revenue	668500	4300000	\$117,514.20
TOTAL	3 B	.9	\$368,303.68

POTENTIAL POSITION IMPACT:

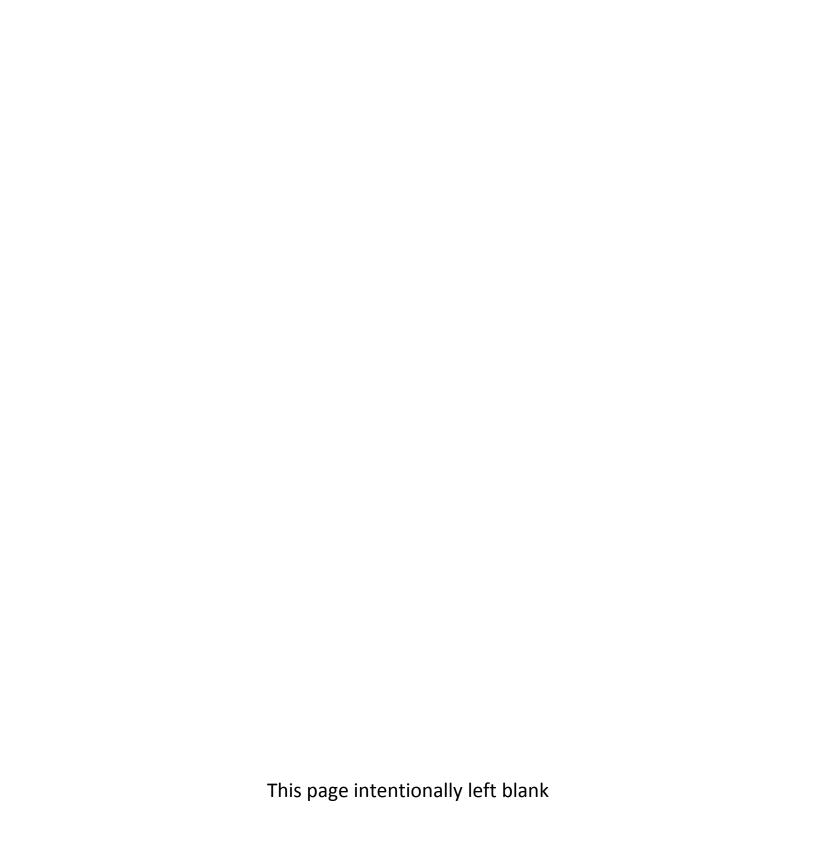
Position Title	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	Position End Date
(Not Applicable)		43 T	
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$368,303.68, plus tax

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes





Date:

January 28, 2016

To:

Patsy Best, Procurement and Payables Division Manager

From:

James P. Duggan, Fire Chief

Subject: Waiver of Competitive Solicitation Request – Sole Source Purchase

Hazardous Materials Team Diagnostic Equipment - Thermo Fisher Scientific

Please forward for Board of Contracts and Awards review and recommendation.

In accordance with Tacoma Municipal Code 1.06.257.A. (Sole Source), the Tacoma Fire Department (TFD) requests a waiver of the competitive solicitation process for specialized diagnostic equipment for the Hazardous Materials Abatement Team (HazMat). The sole source vendor is Thermo Fisher Scientific dba Thermo Eberline LLC, Franklin, Massachusetts (Thermo). This is a one-time purchase totaling \$368,303.68, plus sales tax.

"Follow-on" Contracts:

s this sole source purchase	based on a contract th	at was previously	competitively bid	by the City?
Yes ☐ No 🖂				

Waiver Criteria:

 Is there more than one feasible supplier of the product or service in the marketplace? Yes ☐ No ☒ Briefly explain.

TFD proposes to purchase, using federal Port Security Grant funds, Thermo equipment totaling \$368,303.68 to support the Hazardous Materials Abatement Team and one of TFD's fireboats. This is broken out as \$250,789.48 for additional equipment to build upon and enhance the performance of existing Thermo diagnostic equipment already in use by HazMat, and \$117, 514.20 for equipment that will extend Thermo hazardous materials diagnostic capability to the fireboat Defiance. In 2012 and again in 2015, primarily using a previous Port Security Grant, sole source purchases totaling \$104,238.50, acquired diagnostic equipment and implemented a network of detectors to monitor, detect, and analyze potential threats for use by the HazMat team.

The equipment of other manufacturers does not possess some of the capabilities of Thermo equipment and is not compatible for use with Thermo equipment. To ensure maximum proficiency and effectiveness of HazMat functions, TFD HazMat has specified Thermo equipment for certain TFD HazMat diagnosis and supporting tasks.

2. Please support your contention it would be futile to advertise and competitively bid for the product or service as it would result in only one bid:

 Describe the screening efforts you engaged in to identify potential suppliers. Include names of potential suppliers, contact person, phone numbers, or addresses. Please see the above explanation. Describe any technical or unique product/service attributes that prevent drafting specifications for a competitive bid to which more than one supplier could successfully respond. To our knowledge, only the Thermo diagnostic equipment and software is able to function as a common scalable diagnostic platform to collect data from multiple land based and marine collectors or detectors and allow HazMat staff to detect, monitor, and analyze diverse threats from one command and control station. c. Is the product available only through one vendor? Yes No 🗍 If "yes", such certification should be in writing from the manufacturer (not the vendor) and supported by results of the screening process or validated by the Purchasing Division. Written certification attached? Yes ⊠ No □ The attached letter was received from Thermo Fisher. d. What efforts were made to assure the City is receiving the lowest or best price possible? The quoted prices are 10 percent lower than Thermo's 2015 published list prices. Written certification from manufacturer or vendor attached (optional)? Yes 🛛 No 🗌 e. Is this a one-time purchase? Yes ⊠ No ☐ Total amount: 368,303.68 If "no," estimated total dollar amount over three-year period: Other supporting documentation attached? Yes No 🗌 City Contact person: Michael Fitzgerald Phone: 253-591-5157 **Purchasing Use Only** James P. Duggan, Fire Chief Department/Division Head (Please Print) **Approved** Rejected None (after the fact) ature Date By T.C. Broadnax, City Manager cc: Richelle Kriepke, Senior Buyer, Finance/Purchasing

TemplateSoleSource.dot Revised: 07/24/2015

Thermo Fisher

January 25, 2016

Tacoma Fire Department 901 Fawcett Avenue Tacoma, WA 98402-5699

Dear Sir,

I am writing in reference to the Thermo Fisher Scientific Radspec Maritime system we have proposed for the Tacoma Fire Department. This system has been proposed to provide the department with an industry leading system for collection, managing and responding to emergency Haz-Mat and Radiation detection incidents.

RADspec detection units and systems are designed to detect the covert movement of special nuclear material used for weapons of mass destruction or a radiological dispersal device into populated or other areas of concern and to identify the radionuclide. ReachBack provides field personnel immediate access to remote command centers, where readings are analyzed in Real-time for expert threat assessment and appropriate response.

The RADspec is one part of a large scalable platform that Thermo Fisher Scientific developed to collect data from multiple instruments across land and sea that creates a complete common operational picture for radiation detection. These instruments are unique to Thermo Fisher Scientific and the operation of the platform is reliant on the compatibility of the RADspec with other Thermo Fisher Scientific instruments, instruments which are already in use by the Tacoma Fire department. These instruments include the FH40, Radeye SX, Radeye GX, Matrix Neutron Probe, and NBR Probe. All of these instruments along with the RADspec are integrated via a proprietary system developed by Safe Environments Engineering for Thermo instruments.

Thermo Fisher

Price Proposal References

In the project proposal RMPQ22386-09(2) we have provided the city pricing that is well under our 2015 published list prices that are specific to your application needs. This provides the city with t discounts from our published US list prices. Here are a few examples.

Product	Part Number	US List	Project \$	Savings %
Matrix Neutron Probe	COMA000554	\$48,000	\$43,488	10%
NBR Probe	4250756	\$5,190	\$3,238	10%
4254014	FH40G	\$1,270	\$1,074	10%

Please let me know if there are any other questions I can respond to or information we can provide in support of the project.

Sincerely

Justin Kung

Regional Account Manager Security and Industrial Markets Thermo Scientific, RM&SI

(310) 418-7281

Justin.Kung@thermofisher.com