



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Geoffrey M. Smyth, P.E., Division Manager, Science & Engineering
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,
Kristy Beardemphl, P.E., Project Manager, and Jessica Tonka, Finance/Purchasing
SUBJECT: Jefferson & Hood Street Surface Water Interceptor Project – Consultant Services
Contract Increase, Contract No. 4600012548 – January 23, 2018
DATE: January 5, 2018

SUMMARY:

The Environmental Services Department requests approval to increase Contract No. 4600012548, with Hawkins Delafield & Wood LLP, Newark, NJ, by \$150,000, for a cumulative total not to exceed \$350,000, sales tax not applicable, budgeted from the ES Surface Water Fund 4301, for consultant legal services related to the Jefferson and Hood Street Surface Water Interceptor Project.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and build environment.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.

The new interceptor will provide additional surface water capacity intended to help address flooding in the lower downtown area and provide additional capacity for growth.

BACKGROUND:

The City entered into a legal services agreement with the Hawkins Delafield & Wood LLP law firm (law firm) on April 30, 2017, in the amount of \$200,000, to assist the Environmental Services Department in its development and implementation of the request for proposals for a progressive design-build contractor and the progressive design-build contract for the Jefferson and Hood Street Surface Water Interceptor Project. The law firm serves only municipal clients and specializes in public procurement contracts, with a focus on design-build contracts. The law firm previously provided legal services for procurement of a design-build contractor for the \$90 million Tacoma Central Wastewater Treatment Plant upgrade project.

The requested increase to the original consultant services contract will allow the law firm to complete the final design-build contract (including the final scope of preliminary services) and provide on-going legal services to the Environmental Services Department following execution of the design-build contract during the design and construction phase of the project. This work would include the negotiation and preparation of any early work package amendments that are designed to condense the overall design-build schedule, the negotiation and preparation of a guaranteed maximum price amendment to construct the project, and to provide assistance regarding any potential impacts from uncontrollable circumstances and scope changes that may arise during construction.

ISSUE: Currently during intense rain events, flooding can occur in various areas of downtown Tacoma, including along Pacific Avenue. This flooding can result in property damage and disruption of traffic. Providing additional capacity to the City's surface water system in this area in the form of a new 60-inch diameter interceptor pipe will help address the current capacity limitations and allow for future growth in the downtown area.



This project will be substantial in value (planning level estimate is approximately \$11-\$13 million in total projects costs) and will encompass a number of unique and challenging risks associated with its construction. To better manage overall project risk, the City is utilizing a progressive design-build project delivery method consistent with RCW 39.10. This will help ensure the City can partner with a progressive design-build team which is most qualified to deliver an overall project design and construction that will represent the best value to the City.

Further, the law firm has specialized expertise in this area of law. The assistance provided to date by Hawkins Delafield & Wood LLP in support of the alternative delivery procurement of this project and the preparation of the request for proposal and draft design-build contract has been indispensable. The Environmental Services Department anticipated that the services of Hawkins Delafield & Wood LLP would require an increase beyond the \$200,000 contract. It is critical to the success of this project to maintain the continuity of the legal services supporting this project.

ALTERNATIVES: The alternative is to terminate the current legal services agreement and either contract with another law firm or the Office of the City Attorney could complete the draft contract documents and other work necessary to complete construction of this project.

COMPETITIVE SOLICITATION: The City of Tacoma did not competitively solicit consultant legal services for this project, but received authorization via a Waiver of Competitive Solicitation.

CONTRACT HISTORY: The proposed contract increase would be the first amendment to the existing contract with Hawkins Delafield & Wood LLP. The existing consultant services contract with Hawkins Delafield & Wood LLP, was executed on April 30, 2017. This contract amendment would increase the existing contract of up to \$200,000 to an amount not to exceed \$350,000, sales tax not applicable.

SUSTAINABILITY: The construction of additional surface water capacity to help avoid future flooding represents the best solution with respect to potential impact on human health and environment.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Environmental Services Department requests approval to increase Contract No. 4600012548, with Hawkins Delafield & Wood LLP, Newark, NJ, by \$150,000, for a cumulative total not to exceed \$350,000, sales tax not applicable, budgeted from the ES Surface Water Fund 4301, for consultant legal services related to the Jefferson and Hood Street Surface Water Interceptor Project.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT*
4301 ES Surface Water	ENV-03029-02	5330100	\$150,000
TOTAL			\$150,000

* Sales Tax Not Applicable

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT*
4301 ES Surface Water	521900	Various Rates	\$150,000
TOTAL			\$150,000

* Sales Tax Not Applicable

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$150,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes



TO: Elizabeth A. Pauli, City Manager
FROM: William C. Fosbre, City Attorney *William Fosbre*
SUBJECT: Waiver of Competitive Solicitation – Hawkins Delafield & Wood
Jefferson and Hood Street Interceptor Project
DATE: January 4, 2018

The purpose of this memorandum is to request authorization for the waiver of competitive solicitation of a contract for professional services pursuant to TMC 1.06.256, to include subsequent contract increases.

The City entered into a Legal Services Agreement with Eric Sapir of the Hawkins Delafield & Wood law firm on April 30, 2017, in the amount of \$200,000, funded by Environmental Services. I am now requesting the City Council to authorize an amendment to the existing legal services agreement, in the amount of \$150,000, for a maximum contract total of \$350,000, to allow the law firm to continue providing services related to the Jefferson and Hood Street Surface Water Interceptor Project.

You previously approved a waiver of competitive solicitation on March 27, 2017, in your capacity as Interim City Manager, with a limit of \$200,000. Based on Mr. Sapir's relevant background, experience, and familiarity with the issues and facts involved in this matter, the Legal Department believes it is in the best interests of the City that competitive solicitation be waived to allow the Legal Department to continue to contract directly with the law firm should the City Council approve the amendment. If you agree, please so indicate by signing below.

If you have any questions, please do not hesitate to contact me.

Waiver of Competitive Solicitation Approved:


Elizabeth A. Pauli, City Manager

FINANCE PURCHASING
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