EWEB Board Consent Calendar Request

For Cooperative Contracts

The Board is being asked to authorize the use of a cooperative contract for **Primary and Secondary and EPR insulated Conductor** with **Anixter**.

Board Meeting Date: October 3, 2023

Project Name/Contract #: Primary, Secondary, & EPR insulated Conductor /19142-WES

Manager: Tyler Nice Ext. 7419
Executive Officer: Karen Kelley Ext. 7153

Expected Spend: \$5,000,000 (over 4 potential years)

Narrative:

The Board is being asked to authorize the use of the Sourcewell 091422-WES cooperative contract for the purchase of Primary and Secondary and EPR insulated Conductor for line failure replacement and for new construction. Historical procurement data suggests that the annual purchased amount will be approximately \$1.25 million. The actual total dollar amount, however, may be more or less than that estimated volume. Purchases will be based on need and not on any specific annual quantity. The annual cost will be within the amount budgeted for that specific year.

Operational Requirement and Alignment with Strategic Plan

It is essential for the electric utility to have a steady stock of quality electrical equipment for use in our electric distribution and transmission system in order to provide reliable service to meet the needs of our customers. The past few years have challenged EWEB's ability to maintain critical stock and source competitively. The Sourcewell contract with Anixter offers access to more than 1 billion items in stock across Anixter's branches and distribution centers across the US, as well as the ability to purchase items that have been difficult to source and seek competitive pricing for.

Creating this contracting stream for equipment and materials is directly in support of Goal #1 to maintain or improve our "ongoing" operational effectiveness. Ongoing maintenance, capital renewal and replacement, and compulsory compliance and customer facing (obligation to serve) related workflows all require ability to source materials and goods quickly and efficiently to meet the needs of project schedules. Ensuring that this method is an option for staff leading these projects will help to mitigate project delays associated with equipment shortages and provide additional paths for already vetted and competitive contracted goods.

Purchasing Process

Sourcewell is a local government unit from the state of Minnesota that assists public agencies to contract more efficiently than as an individual entity. They establish competitively awarded cooperative purchasing contracts on behalf of itself and its participating agencies, including EWEB. Sourcewell follows the competitive contracting law process to solicit, evaluate, and award contracts for goods and services which facilitates the public procurement process and leverages governmental agencies purchasing power.

Sourcewell issued RFP 091422 on July 26, 2022, to establish a national cooperative contract for Facility MRO, Industrial, and Building-Related Supplies and Equipment. This solicitation was published in the Daily Journal of Commerce in Oregon on July 29, 2022. Sourcewell awarded a contract to WESCO Distribution, Inc. on January 12, 2022. WESCO and Anixter merged in 2020 and now operates as Anixter in Oregon. This contract expires on November 8, 2026, and may be extended up to one additional one-year period.

Revised 10-18-22 Page 1

ACTION REQUESTED:

Management requests the Board authorize the use of the Sourcewell 091422-WES cooperative contract for Primary and Secondary and EPR insulated Conductor with Anixter. Approximately \$1.2 million was planned for these goods in the 2023 Electric Capital Budget of \$74.2 million. Variances will be managed within the budget process and Board policy.

Revised 10-18-22 Page 2