



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Simpson, Brown, Helgeson, Manning, and Mital  
FROM: Mel Damewood, Tom Ossowski  
DATE: April 25, 2013  
SUBJECT: 15 kV EPR Insulated Underground Conductor Contract  
OBJECTIVE: Approval of Contract

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## Issue

15 kV EPR Insulated Underground Conductor contract approval

## Background

EWEB requires Primary and Secondary Conductor for conductor failure replacement and for new construction. In February 2013, EWEB issued a formal Request for Proposal to select a supplier and establish a price agreement for the purchase of Primary and Secondary Conductor. The solicitation was reviewed by twelve companies. Three responses were received. WESCO Distribution, Portland, Oregon was selected to provide 15kV EPR Insulated Underground Conductor based on the evaluation criteria in the Request for Proposals.

## Discussion

The price agreement establishes unit prices that are used to replenish EWEB stock and for specific jobs. Prices will be reviewed annually and adjusted, if documented and justified, to compensate for economic escalation (i.e. changes to metal indices) or de-escalation.

This product will be purchased on an “as needed” basis. Exact purchase amounts are unknown and no guarantee has been made with the supplier to purchase any specific quantity. Historical procurement data indicates that EWEB purchases approximately \$620,000 of product each year; therefore, staff estimates the total potential contract amount could be \$3,100,000 over a five-year period. However, this is a requirements contract (price agreement); the exact total amount of this contract is based on need and not on any specific dollar amount. The annual cost will be within the amount budgeted for that specific year.

## TBL Assessment

The evaluation criteria included a sustainability section that addressed waste and fuel reduction in the manufacturing and delivery of the conductors, environmentally preferred products in the manufacturing process, and social equity.

## Recommendation

Staff recommends the approval of a contract with Okonite c/o WESCO Distribution, Inc. for the periodic, as needed purchase of 15 kV EPR Insulated Conductor.

**Requested Board Action**

Approval of contract with Okonite c/o WESCO Distribution, Inc. for the purchase of 15 kV EPR Insulated Conductor.

If you have any questions please contact Mel Damewood at 541-685-7145 or Tom Ossowski at 541-685-7421

**EWEB BOARD AGENDA ITEM ACTION REQUEST**  
***For Contract Awards, Renewals, and Increases generally over \$1 million***

The Board is being asked to approve a contract with **WESCO Distribution** for **15kV EPR Conductor**.

Backgrounder ("See backgrounder information") Yes

Board Meeting Date: May 7, 2013

Project Name/Contract#: Primary and Secondary Conductor / 007-2013 WESCO

Primary Contact: Mel Damewood Ext. 7145

Secondary Contact: Roger Gray Ext. 7130

Purchasing Contact: Sarah Gorsegner Ext. 7348

**Action Requested:**

- Contract Award
- Contract Renewal
- Contract Increase
- Other

**Contract Amount:**

Original Contract Amount: \$ 3,025,000 over 5 years

Additional \$ Previously Approved: \$ n/a

Invoices over last approval: \$ n/a

Percentage over last approval: n/a %

Amount this Request: \$ 3,025,000 over 5 years

**Resulting Cumulative Total:** \$ 3,025,000 over 5 years

**Funding Source:**

- Budget
- Reserves
- New Revenue
- Bonding
- Other

**Contracting Method:**

Method of Solicitation: Request for Proposals

If applicable, basis for exemption: n/a

Term of Agreement: May 7, 2013-May 6, 2014

Option to Renew? Yes, 4 additional renewals

Approval for purchases "as needed" for the life of the contract Yes No

**Form of Contract:**

- Single Purchase
- Services
- Personal Services
- Construction
- IGA
- Price Agreement
- Other

**Narrative:**

The Board is being asked to approve a new contract with **WESCO Distribution** of Portland, Oregon for the purchase of 15kV EPR Insulated Cable on an as needed basis.

EWEB requires Primary and Secondary Conductor for line failure replacement and for new construction. In February 2013, EWEB issued a formal Request for Proposal to select a supplier and establish a price agreement for the purchase of Primary and Secondary Conductor. The solicitation was reviewed by twelve companies. Three responses were received. WESCO Distribution was selected to provide 15kV EPR Insulated Cable based on the evaluation criteria in the Request for Proposals.

Historical procurement data suggests that the total contract amount will be approximately \$3,025,000 over the total five-year period. The actual total dollar amount, however, is unknown and 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.

If approved, staff will purchase 15kV EPR Insulated Cable at the established prices over the life of the contract. The contract is for one-year with the option to renew for four additional one-year periods.

**ACTION REQUESTED:**

Management requests Board approve a contract with **WESCO Distribution** for **15kV EPR Insulated Cable**. Funds for these purchases are budgeted for 2013 and will be budgeted annually.

**SIGNATURES:**

Project Coordinator: \_\_\_\_\_

Manager: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

General Manager: \_\_\_\_\_

Board Approval Date: \_\_\_\_\_

Secretary/Assistant Secretary verification: \_\_\_\_\_