



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Cathy Bloom, Finance Manager and Gail Murray, Purchasing/Risk Manager
DATE: October 29, 2013
SUBJECT: Third Quarter Contract Report
OBJECTIVE: Information Only

Issue

At the August 6th Board meeting, the Board ratified Resolution 1320, which increased the Board Approval Threshold for certain contracts to more closely align with solicitation thresholds. As a result, the processes were streamlined for the Board and the Purchasing/Risk department and assisted with a strategy to move forward with reduced staffing levels in the Purchasing Department. The Board requested that staff provide a quarterly report of contracts between \$20,000 and \$150,000, which would have come to the board for approval under the previous threshold amounts.

Background

Due to the cost reduction strategies implemented in the last eighteen months, the Purchasing department has been reduced by two FTE, or a 20% reduction in staff. In an effort to streamline processes and procedures for both staff and the Board, management proposed and the Board approved the alignment of Board approval and procurement thresholds. This change will result in the reduction of the number of items coming before the Board on the consent calendar. This would allow the Board to focus on higher level/higher risk contracts and other strategic initiatives. It will also allow purchasing staff to focus their energies on the higher risk/greater return projects and contracts.

The thresholds are:

Purchase of all Goods, Equipment, Services and Personal Services:	\$ 150,000 or greater
Purchase of Construction Services:	\$ 100,000 or greater

Discussion

Attached is the Contract report for the third quarter. The contracts listed are those that would have previously come to the Board for approval, but which are now below the board approval threshold. The threshold changes became effective on August 6th, so this report is for a partial quarter.

If you have any questions regarding the contracts, please contact the Purchasing Manager, Gail Murray.

Recommendation/Requested Board Action

None at this time. This information is provided for informational purposes only.

CONTRACTS BETWEEN \$20,000 AND \$150,000 FOR Q3 2013

Contract Execution	Contract #	Contractor	City, State	Description	Amount	Contract Term	Contract Process	LT Manager
08/07/2013	2341	IPS	Portland, OR	Smith Creek Generator Repairs	\$53,125.00	8/7/13 - 11/1/13	Informal RFP	Roger Kline
08/21/2013	2342	Loop 1 Systems	Austin, TX	Solarwinds Professional Serv. & Trainir	\$50,680.00	8/21/13 - 12/31/13	Direct Negotiation	Matt Sayre
09/05/2013	2352	Willamette University	Salem, OR	Leadership Training - Utility Mgmt	\$28,000.00	9/5/13 - 12/31/13	Direct Negotiation	Erin Erben
09/11/2013	2350	BBAO Group, LLC	Eugene, OR	Business Analysis Services	\$98,400.00	9/11/13 - 6/30/14	Direct Negotiation	Matt Sayre
09/16/2013	2349	Z2Solutions, LLC	Durango, CO	MDMS Consulting Services	\$61,000.00	9/16/13 - 12/31/14	Direct Negotiation	Roger Gray

Total # of Executed Contracts between \$10,000 - \$20,0000 = 8

EWEB association for all above contracts = None

Questions please contact: Gail Murray 541-685-7429