

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new price agreement with **Schnitzer Steel** for the sale of EWEB's copper scrap.

Board Meeting Date: April 7, 2015

Project Name/Contract#: Sale of Scrap Copper – ITB #008-2015

Primary Contact: Todd Simmons Ext. 7373

Purchasing Contact: Tracy Davis Ext. 7468

Contract Amount:

Original Contract Amount: \$ 200,000

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: N/A %

Amount this Request: \$ 200,000

Resulting Cumulative Total: \$ 200,000

Contracting Method:

Method of Solicitation: Invitation to Bid

If applicable, basis for exemption: N/A

Term of Agreement: April 8, 2015 – April 7, 2020

Option to Renew? Yes, for additional three years

Approval for purchases "as needed" for the life of the contract Yes

Action Requested:

Contract Award
 Contract Renewal
 Contract Increase
 Other

Funding Source:

Budget
 Reserves
 New Revenue
 Bonding
 Other

Form of Contract:

Single Purchase
 Services
 Personal Services
 Construction
 IGA
 Price Agreement
 Other

NARRATIVE:

The Board is being asked to approve a new price agreement with **Schnitzer Steel** for the sale of EWEB's copper scrap.

EWEB crews have power cable remnants and spent metal parts that have a value as scrap metal. These metal items are collected, sold, and recycled, promoting conservation and environmental stewardship. This agreement, if approved, will provide staff a means of recycling EWEB's used, damaged and/or obsolete copper with purchasers at a fixed percentage of the current metals market index value.

In February 2015, a formal solicitation was advertised; two offers were received, opened and evaluated. Offers were received from Schnitzer Steel (Eugene) and Metro Metals Northwest (Portland). **Schnitzer Steel** offered the highest percentage of market price for scrap copper, and was determined to be a responsive-responsible bidder.

The agreement will be for two-years with an option, at EWEB's discretion, to renew for three additional one-year periods (total potential contract term: 5 years). No guarantees have been made with the purchaser to provide any specific quantity for purchase. Staff estimates that approximately \$40,000+/- worth of copper will be sold each year, approximately \$200,000 over the five-year period. However, this is a price agreement; exact total amount is based on EWEB's collection and recycling of metals and not on any specific dollar amount.

ACTION REQUESTED:

Management requests Board approve a new price agreement with **Schnitzer Steel** for the sale of EWEB scrap copper on an "as-needed" basis.

SIGNATURES:

Project Coordinator: _____

LT Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____