

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve an Amendment to the Contract with **Baker Tilly Virchow & Krause LLC** for **Inventory, Supply Chain, Work and Asset management – industry practice implementation services**.

Board Meeting Date: September 1, 2015

Project Name/Contract#: PSC 2356

Primary Contact: Sue Fahey Ext. 7688

Purchasing Contact: Ramie Alkire Ext. 7413

Contract Amount:

Original Contract Amount: \$ 149,390

Additional \$ Previously Approved: \$ 0

Invoices over last approval: \$ 0

Percentage over last approval: 14 %

Amount this Request: \$ 21,110

Resulting Cumulative Total: \$ 170,500

Contracting Method:

Method of Solicitation: Informal RFP

If applicable, basis for exemption: n/a

Term of Agreement: 12/13/13 – 9/30/15

Option to Renew? No

Approval for purchases “as needed” for the life of the contract No

Narrative:

The Board is being asked to approve an Amendment with **Baker Tilly Virchow & Krause LLC** of Madison, WI for the purchase of **Inventory, supply chain, work and asset - industry practice implementation services**.

EWEB requires these services for use in EWEB’s inventory, supply chain, work and asset management. Contract objectives are to facilitate and analyze inventory practices, policies, and provide strategic direction. Contracted services include assisting with resolution of the audit inventory material finding; perform a gap assessment of current inventory practices; aid EWEB in developing industry standard business processes and policies that meet necessary inventory controls and asset management; and provide training on inventory business processes within the supply chain system.

In 2013 staff issued an informal Request For Proposal (RFP). EWEB received three proposals from Five Point of Atlanta, GA, Moss Adams of Eugene, OR, and Baker Tilly Virchow & Krause LLC of Madison, WI. The responses were evaluated based on each company qualifications, experience, and fees. Based on the evaluation criteria, staff selected and negotiated a contract with Baker Tilly Virchow & Krause LLC. Baker Tilly Virchow & Krause LLC was awarded the contract due to their extensive financial background, specifically in utility accounting, inventory, and provision of audit and financial accounting services to over 15 public utilities, along with their competitive cost.

The initial contract amount was under \$150,000 and therefore did not require Board approval. However, due to the extensive nature and complexity of the services and project it was deemed necessary to perform additional review of inventory processes and policy and provide additional training to staff on EWEB’s supply chain system. Baker Tilly Virchow & Krause, LLC extensive familiarity with EWEB’s financial and inventory systems and availability put them in a unique position to provide this service prior to EWEB’s next audit.

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

This additional work increased the contract amount over the Board approval threshold and above the threshold for formal solicitations. Staff is now seeking Board approval.

ACTION REQUESTED:

Management requests the Board approve an Amendment with **Baker Tilly Virchow & Krause LLC** for **WAM Inventory Module Implementation Services**. Funds for these services were budgeted for 2015.

SIGNATURES:

Project Coordinator: _____

LT Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____