

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new price agreement with **ERMCO Distribution Transformers** for the periodic purchase of Polemounted Transformers (as needed to replenish stock).

Board Meeting Date: 12/6/16
Project Name/Contract#: ITB 036-2016
Primary Contact: Mel Damewood Ext. 7145
Purchasing Contact: Ramie Alkire Ext. 7413

Action Requested:

Contract Award
 Contract Renewal
 Contract Increase
 Other

Funding Source:

Budget
 Reserves
 New Revenue
 Bonding
 Other

Contract Amount:

Original Contract Amount: \$ 1,700,000 (over 5 years)
Additional \$ Previously Approved: \$ n/a
Invoices over last approval: \$ n/a
Percentage over last approval: n/a %
Amount this Request: \$ 1,700,000
Resulting Cumulative Total: \$ 1,700,000 (over 5 years)

Form of Contract:

Single Purchase
 Services
 Personal Services
 Construction
 IGA
 Price Agreement
 Other

Contracting Method:

Method of Solicitation: Formal Bid
If applicable, basis for exemption: n/a
Term of Agreement: December 7, 2016 – December 6, 2021
Option to Renew? No
Approval for purchases "as needed" for the life of the contract Yes
Bids Received (Range): 5 (\$1,213,595 - \$2,169,854)
Selection Basis: Lowest responsive, responsible bidder
(lowest bid did not bid on 53% of total items)

Narrative:

The Board is being asked to approve a new price agreement with **ERMCO Distribution Transformers** of Dyersburg, TN for the purchase of Polemounted Transformers on an as needed basis.

In October 2016, EWEB issued a formal invitation to bid to establish a price agreement for the purchase of Polemounted Transformers. The solicitation was reviewed by 13 companies. Five (5) responses were received; ERMCO Distribution Transformers was determined to be the lowest responsive and responsible bidder.

Responses were received by General Pacific of Portland, Oregon, Anixter of Portland, Oregon (who submitted two bids), WESCO Distribution of Portland, Oregon, and ERMCO Distribution Transformers of Dyersburg, Tennessee.

Historical procurement data suggests that the total contract amount will be approximately \$1,700,000 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 required Polemounted Transformers at the established prices over the life of the contract. The contract is for five years.

ACTION REQUESTED:

Management requests the Board approve a new price agreement with **ERMCO Distribution Transformers** for the purchase of Polemounted Transformers. Funds for this purchase were budgeted for 2016 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____