

# 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 Single Phase Padmounted Transformers (as needed to replenish stock).

Board Meeting Date: 4/5/16  
Project Name/Contract#: ITB 010-2016  
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: \$ 500,000 (over 5 years)  
Additional \$ Previously Approved: \$ n/a  
Invoices over last approval: \$ n/a  
Percentage over last approval: n/a %  
Amount this Request: \$ 500,000  
**Resulting Cumulative Total:** \$ 500,000 (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: April 5, 2016 – April 4, 2021  
Option to Renew? No

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

### Narrative:

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

In February 2016, EWEB issued a formal invitation to bid to establish a price agreement for the purchase of Single Phase Padmounted Transformers. The solicitation was reviewed by 15 companies. Six (6) responses were received; ERMCO Distribution Transformers was determined to be the lowest responsive and responsible bidder. ERMCO will be represented by Hees Enterprises of Astoria, Oregon, a local manufacturer representative.

Responses were received by General Pacific of Portland, Oregon, a distributor who bid Howard Industries transformers, manufactured in Mississippi; HD Supply of Portland, Oregon, a distributor who submitted two bids for: General Electric transformers manufactured in Mexico, and Cooper transformers manufactured in Wisconsin and Texas; WESCO Distribution, of Portland, Oregon, a distributor who bid ABB transformers manufactured in Missouri; and ERMCO Distribution Transformers, of Dyersburg, Tennessee. ERMCO manufactures their transformers in Tennessee. Orders and Contract management for ERMCO will be through Hees Enterprises of Astoria, Oregon the local manufacturer representative.

Historical procurement data suggests that the total contract amount will be approximately \$500,000 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 Single Phase Padmounted 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 c/o Hees Enterprises** for the purchase of **Single Phase Padmounted Transformers**. Funds for these purchases were budgeted for 2016 and will be budgeted annually.

**SIGNATURES:**

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

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

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

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

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

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