

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to authorize the use of a cooperative contract for a **Warehouse Inventory Vending Solution and Materials** from **Fastenal**.

Board Meeting Date: August 7, 2018

Project Name/Contract#: Warehouse Inventory Vending Solution Program – NASPO – Oregon State PA 8497

Primary Contact: Sue Fahey Ext. 7688

Purchasing Contact: Ramie Alkire Ext. 7413

Expected Spend: \$450,000 over the next five years

Narrative:

The Board is being asked to authorize the use of the State of Oregon Price Agreement 8497 (a cooperative contract through the National Association of State Procurement Officials) for a Warehouse Inventory Vending Solution and Materials. The contract is with **Fastenal** of Eugene, OR.

Purchases from Fastenal include high use, low dollar items such as consumable items and small tools that are stocked in the Fastenal vending machines to create a self-service model for crews and staff and to reduce inventory management costs.

Fastenal offers a consignment model that requires no fees for use of the vending machine equipment or for the software maintenance and support services required to manage the machine's inventory and EWEB will only pay for materials consumed. To ensure the state contract pricing was competitive, the cost of the vending machine materials was compared to EWEB's current warehouse inventory pricing and on average, Fastenal pricing was lower.

ACTION REQUESTED:

Management requests the Board authorize the use of the cooperative contract for a warehouse inventory vending solution and materials from **Fastenal** for five years. Materials are charged to the departments using them, and funds for these purchases were budgeted in 2018. The Water Division's 2018 Operations and Maintenance budget is \$14.6 Million and the Electric Division's 2018 Operations and Maintenance Budget is \$22.3 Million.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Supervisor: _____

Executive Officer: _____

Board Approval Date: _____