

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 the purchase of a Knuckle Boom Crane from **Altec Inc.**

Board Meeting Date: September 4, 2018

Project Name/Contract#: Knuckle Boom Crane – Sourcewell Contract 012418-ALT

Primary Contact: Susan Ackerman Ext. 7185

Purchasing Contact: Ramie Alkire Ext. 7413

Expected Spend: \$360,000

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Carmen-Smith and Leaburg hydro facilities require a mobile crane to move and lift heavy materials associated with the Carmen-Smith relicense work and routine operations. Both hydro facilities have equipment, generators, and materials that require work on hard to reach locations with low clearance. Staff have determined that a knuckle boom crane is the best equipment to meet the variety of use requirements at these locations.

Knuckle boom cranes are designed to have flexibility in lifting functionality, they lift and move materials in very restricted spaces. Knuckle boom cranes have horizontal extensions that provide longer reach at a lower overall height. Even in low clearance and tight spaces, knuckle boom cranes can be used without causing damage to the site and where overhead powerlines create a clearance issue, contributing to safer operations. This type of application makes a knuckle boom crane essential for use in our Carmen-Smith and Leaburg substations, hydro-generation plants, and electric transmission and distribution systems.

Contracted Goods or Services

The cooperative contract includes a variety of utility vehicles including a current model year, knuckle boom crane. Staff have inspected and evaluated the vehicle and determined that it will meet our requirements.

Prior Contract Activities

This crane is replacing a telescopic designed crane which was purchased by EWEB in 2005. Because of its telescopic design, EWEB crews often limit its overhead working heights to provide the necessary clearances around the overhead powerlines that are typically found at our hydro and substation facilities. These restrictions have significantly limited EWEB's ability to pick heavier loads, along with the inability to move those loads away from the crane or the work.

With the on-going need of picking and moving heavier loads, EWEB has been contracting out this type of work or by bringing the knuckle boom crane from Electric Operations located at the ROC. When emergent conditions arise, EWEB's ability to react is limited to the time it takes to get a crane on-site. By purchasing a knuckle boom crane, EWEB will be able to react to emergency situations while maintaining safe overhead power line clearances.

Purchasing Process

In November 2017, a memo to the Board described the types of cooperative contracts and the advantages of using cooperative contracts. Advantages include purchasing at discount prices based on volume purchases, time and cost savings to both EWEB and Contractor to complete the competitive process, and the ability to source specific goods or services that meet EWEB's operational requirements. Below is additional information on the competitive process used to develop this cooperative contract.

In Dec 2017, the National Joint Powers Alliance (NJPA-Currently rebranded as Sourcewell) issued a Request for Proposals for Public Utility Equipment with Related Accessories and Supplies. The solicitation had 14 responses, and an evaluation committee of 4 Procurement Analysts evaluated and scored the responses. The evaluation committee awarded 7 contracts and indicated that Altec Industries offered a diverse product line, they offer 24 HR parts/sales/service, and have a large sales force with 37 service centers and more than 100 mobile service techs. Altec offers competitive pricing with volume discounts on multiple identical units. In the evaluation process Altec tied for the second highest points awarded for competitive pricing.

Staff requested a quote from Altec Inc. based on the cooperative contract, the quote for the vehicle meets our operational requirements and is competitively priced based on an informal market survey completed in 2017 for budgetary purposes. The market survey indicated that a single build unit would be approximately \$420,000. Although not considered a used unit, the contractor is offering aggressive pricing since the vehicle was used as a demo unit, Fleet staff have inspected the vehicle to assure it has been maintained.

ACTION REQUESTED:

Management requests the Board authorize the use of the cooperative contract, Sourcewell Contract 012418, for the purchase of a knuckle boom crane from **Altec Inc.** The Electric Capital budget is \$37.6 million for 2018.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Supervisor: _____

Executive Officer: _____

Board Approval Date: _____