

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a price agreement with **HD Fowler Company** for **Polymer Concrete Water Meter Boxes**.

Board Meeting Date: September 4, 2018

Project Name/Contract #: Polymer Concrete Water Meter Boxes and Covers / ITB 040-2018

Primary Contact: Mel Damewood Ext. 7145

Purchasing Contact: Collin Logan Ext. 7485

Contract Amount:

Original Contract Amount: \$2,200,000 (over 5 years)

Additional \$ Previously Approved: \$0.00

Invoices over last approval: \$0.00

Percentage over last approval: 0.0 %

Amount this Request: \$2,200,000 (over 5 years)

Resulting Cumulative Total: \$2,200,000 (over 5 years)

Contracting Method:

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: Option to renew annually up to 5 years through September 2023

Option to Renew? Yes

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

Proposals/Bids Received (Range): 2 (\$711,325.20 - \$734,294.00)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB requires polymer concrete water meter boxes to support the implementation of the smart meters project and for the routine replacement and installation of meters by Water Operations. Staff estimate 15-20% of the water meter boxes will require replacement during the deployment of the smart meter project, and the majority of the lids will require replacement.

Contracted Goods or Services

The contract requires delivery of water meter lids and boxes that meet specified size, strength, weight, and access configurations. The initial bids were based on preliminary volume estimates, the final contract amount is based on refined calculations and is expected to be \$2,200,000. The actual total dollar amount is unknown and the total may be more or less than the estimated volume. The contract will be for one year, with the option to renew annually for up to 4 additional years.

Prior Contract Activities

The last contracting approach used to purchase water meter boxes was a cooperative contract that was solicited by the City of Salem. The contract was awarded to HD Fowler Company, EWEB signed an amendment to the contract in January 2014 that defined EWEB specific information such as EWEB's warehouse address, stock numbers, descriptions, and expected usage. The City of Salem's prior contract has expired and a new contract has been awarded by the City of Salem. Staff anticipated that with the increased volume for the smart meter project, that pricing would be lower if we completed our own competitive process, rather than using the cooperative contract again. HD Fowler offered a 15-30% discount on the meter box lids under our solicitation for purchasing in larger

volumes and these discounts are included in our negotiated contract pricing, the meter boxes are the same price regardless of the volume.

Purchasing Process

In July, EWEB issued an Invitation to Bid for the Purchase of Water Meter Boxes and Covers. EWEB posted the solicitation online and contacted known suppliers to invite them to participate in the competitive process. Two bids were received one from HD Fowler Company of Eugene, Oregon and one from Ferguson Waterworks of Eugene, OR. EWEB is required to award bids based on the lowest responsive and responsible offer, HD Fowler Company was selected based on this criteria.

If approved, staff will purchase required Polymer Concrete Water Meter Boxes at the established prices over the life of the Contract. The Contract is for one year, with the option to renew for four additional one-year periods.

ACTION REQUESTED:

Management requests the Board approve a price agreement with HD Fowler Company for purchase of Polymer Concrete Water Meter Boxes. Funds for these materials were budgeted for 2018 and are included in the Smart Meter project. Total Water Utility Operating Budget for 2018 is \$19.1 Million, the Smart Meter project budget is \$31.5 Million.

SIGNATURES:

Contract Administrator: _____

Executive Officer: _____

Purchasing Supervisor: _____

Board Approval Date: _____