

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 Truck Mounted, Hydro Excavator from **Owen Equipment Company, an authorized dealer of the Federal Signal Corp.**

Board Meeting Date: September 4, 2018

Project Name/Contract#: Truck mounted, hydro-excavator – Sourcewell Contract #122017-FSC

Primary Contact: Rod Price Ext. 7122

Purchasing Contact: Ramie Alkire Ext. 7413

Expected Spend: \$400,000

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB requires hydro-excavators (otherwise known as a vac-truck) to safely and efficiently remove soil debris next to our underground utilities. By tracking utilization in hours and overall maintenance cost, EWEB's Fleet services has determined that the useful expectancy of a hydro-excavator is around 10,000 hours of operation in severe-duty conditions (10 to 12 years) and the maintenance repair cost (less fuel) has exceeded the original purchase cost of the unit. EWEB intends to replace a hydro-excavator, purchased in 2006, which is highly utilized by our Electric Operations Department and has exceeded its useful life expectancy. This unit now has over 11,100 hours of severe-duty use and the maintenance cost to maintain (less fuel cost) has exceeded the original purchase price by over 154%.

Contracted Goods or Services

The cooperative contract includes sewer vacuum, hydro-excavation, and street sweeper equipment vehicles including the current model year, hydro-excavator.

Prior Contract Activities

In 2017, EWEB staff requested specifications and preliminary budget quotations for a similar product which would be a single build unit. At that time the preliminary budget quotations for a truck mounted, hydro-excavator were over \$475,000.

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 Nov. 2017, the National Joint Powers Alliance (NJPA-Currently rebranded as Sourcewell) issued a Request for Proposals for Sewer Vacuum, Hydro-Excavation, and Street Sweeper Equipment, with Related Accessories and Supplies. The solicitation had 27 responses, and an evaluation committee of 5 Procurement Professionals evaluated and scored the responses. The evaluation committee awarded 13 contracts and indicated that Federal Signal Corporation (representing Elgin Street Sweeper and Vactor Manufacturing and distributed through Owen Equipment Company) offered a diverse product line, and competitive pricing.

Staff requested a quote from Owen Equipment Company 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 reasons. The market survey indicated that a single build unit would be approximately \$475,000.

ACTION REQUESTED:

Management requests the Board authorize the use of the cooperative contract, Sourcewell Contract #122017-FSC, for the purchase of a Truck Mounted, Hydro Excavator from **Owen Equipment Company, an authorized dealer of the Federal Signal Corp.** The Electric Capital budget is \$37.6 million for 2018.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Supervisor: _____

Executive Officer: _____

Board Approval Date: _____