

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 an Integrated Supply Agreement from **NAPA Auto Parts**.

Board Meeting Date: July 6, 2021

Project Name/Contract #: NAPA Integrated Supply Agreement /Sourcewell Contract 110520-GPC

Primary Contact: Rod Price Ext. 7770

Expected Spend: \$4,000,000 over 5 years

Narrative:

The Board is being asked to authorize the use of the NAPA Integrated Supply Agreement #110520-GPC, a cooperative contract through Sourcewell, for the supply of certain auto and truck parts as well as Integrated Business Solutions (IBS) to manage and maintain the parts.

It is essential for the utility to have safe and reliable transportation and equipment to meet the needs of our customers while ensuring the safety of employees. EWEB's Fleet Services provides the management and maintenance of over 390 vehicles, power-operated equipment and trailers that make up the EWEB fleet. With such a wide variety of vehicles and equipment in service, having a robust parts inventory is critical to keeping the fleet operational and safe.

In 2016, EWEB's Fleet Services entered into an agreement with NAPA IBS to reduce budgets and increase efficiencies in the Fleet operation. Since implementing the IBS program, EWEB Fleet Services has been able to establish a cost-effective strategy for our parts needs. By taking these factors into account, the IBS program has helped minimize performance disruption, promote efficiency, reduce carrying cost, and increased staff productivity. Ultimately, producing a successful spare part management program for EWEB Fleet Services.

Sourcewell was established to assist public agencies to contract more efficiently than as an individual entity through the state of Minnesota. They establish competitively awarded cooperative purchasing contracts on behalf of itself and its participating agencies, including EWEB. Sourcewell follows the competitive contracting law process to solicit, evaluate, and award contracts for goods and services which facilitates the public procurement process and leverages governmental agencies purchasing power.

ACTION REQUESTED:

Management requests the Board authorize the use the Sourcewell cooperative contract #110520-GPC from **NAPA**. Approximately \$800,000 annually was planned for these services in the Electric O&M budget of \$217.7 Million. Variances will be managed within the budget process and Board policy.