

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve the use of a cooperative contract with **Bane Machinery, Inc.** for the purchase of **one LinkBelt 160x40 Hydraulic Excavator.**

Board Meeting Date: 11/2/2021
Project Name/Contract #: Hydraulic Excavator / HGAC Cooperative Contract EM06-19
Primary Contact: Karen Kelley Ext. 7153
Expected Spend: **\$205,000**
Narrative:

The Board is being asked to authorize the use of the Houston-Galveston Area Council (HGAC) #EM06-19 cooperative contract for the purchase of one LinkBelt 160x4 hydraulic excavator. HGAC's Cooperative Purchasing Program, known as HGAC Buy, was established pursuant to Texas Interlocal Cooperation Act [Texas Local Government Code, Title 7, Chapter 791]. The Act allows local governments and certain non-profits to contract or agree under the terms of the Act to make purchases or provide purchasing services and other administrative functions appropriately established by another government entity. The Interlocal Contract (ILC) is the required legal document that establishes a link between the End User (local governments and certain non-profits) and HGAC Buy and gives the End User access to HGAC Buy contracts. Like other cooperative programs, HGAC leverages the purchasing power of public entities across the country to deliver best value and competitively sourced contracts that offer public entities, like EWEB, outstanding pricing and value. This process is allowing for a 35% discount to EWEB off the MSRP of the new excavator.

Operational Requirement and Alignment with Strategic Plan

EWEB requires the use of specialized earthmoving equipment to be used at our Generation facilities for routine operation and maintenance activities as well as emergency response activities such as clearing debris in channels and spillways, constructing seepage berms, armoring embankments, or breaching embankments at low consequence locations. This new LinkBelt 160x4 hydraulic excavator will be replacing a 23-year-old hydraulic excavator which was near the end of its useful life and had a catastrophic failure of the rotation bearing. Because of the age of the excavator, along with limited availability of parts, EWEB staff has determined that it will be more cost effective to replace than to repair the equipment.

ACTION REQUESTED:

Management requests the Board approve the use of the HGAC Contract #EM06-19 with Bane Machinery for the purchase of a new LinkBelt 160x4 Hydraulic Excavator. Approximately \$1.2 million was planned for vehicle purchases in the Electric 2021 Budget (type 1) of \$17.7 million. Variances will be managed within the budget process and Board policy.