## **EWEB Board Consent Calendar Request**

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **General Pacific, Inc.** for the purchase of **Single Phase Padmounted Transformers**.

Board Meeting Date: 3/1/2022

Project Name/Contract #: Single Phase Padmounted Transformers / 21-262-G

Primary Contact: Karen Kelley Ext. 7153

**Contract Amount:** 

Original Contract Amount: \$1,534,000

Additional \$ Previously Approved: \$0
Invoices over last approval: \$0

Amount this Request: \$1,534,000

Percentage over last approval: NA

Resulting Cumulative Total: \$1,534,000

**Contracting Method:** 

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: NA

Term of Agreement: One time purchase

Option to Renew?

Approval for purchases "as needed"

for the life of the Contract: Yes  $\square$  No  $\boxtimes$ 

Proposals/Bids Received (Range): 2 (\$1,122,822.40 – 1,533,377.00)

Selection Basis: Lowest Responsive and Responsible Bidder

Narrative:

# Operational Requirement and Alignment with Strategic Plan

This Contract is for the purchase of a select number of single phase padmounted transformers for use in our electric distribution system. This contract will serve to fill the gap where EWEB's current contract holder for these transformers is unable to supply in a timely manner due to severe supply chain and labor issues. Due to these constraints, the current contractor has had to limit the amount of production it can offer to EWEB, which is currently 42 remaining transformer builds in October 2022.

Staff developed a list of transformers to purchase based upon forecasted project needs, current inventory and where open orders will fall short of project schedules. This will allow EWEB to continue to meet the need of new connections and installation and maintain critical inventory for outages and emergencies.

### **Contracted Goods or Services**

The transformers to be purchased under this contract include varying quantities of six (6) sizes of single phase padmounted transformers to be stocked and stored in our Transformer shop for as-needed use in our electric

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distribution system. Transformers are requested to be delivered no later than 52 weeks of final contract award in order to fill transformer needs where EWEB's current contract holder is unable to supply due to limited production slots and excessively long lead times. A portion of the funding for these transformers is reimbursable through customer work.

# **Purchasing Process**

A Formal Invitation to Bid (ITB) was posted on OregonBuys in January 2022. Two bids were received and General Pacific, Inc. was deemed the lowest responsive and responsible bidder based on meeting the solicitation's delivery and lead time requirements.

#### **Bids Received**

Vendor Name	City, State	Offered Price	Notes
General Pacific, Inc.	Fairview, OR	\$1,533,377.00	Lead time bid is 52-64 weeks.
WESCO/Anixter	Portland, OR	\$1,122,822.40	Lead time bid is 145 weeks.

### Competitive Fair Price (If less than 3 responses received)

The Invitation to Bid was formally advertised on the State of Oregon's solicitation site, Oregon Buys, and direct outreach was made to several manufacturers and distributors. Pricing received, while high, is at current market value compared to various transformer manufacturers Staff have contacted.

#### **Prior Contract Activities**

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration (Notice to proceed to close out).	Original Contract Amount	Final Contract Amount
050-2016	DuraLine Fiber	6/6/17	6/9/17 – 12/31/2018	\$180,000	\$192,892.75
19-179- MOU	Heat Pump Water Heater Promotion	1/7/20; 8/3/21	11/19/19 – 12/31/22	\$700,000	NA
20-092-G	Douglas Fir Crossarms	6/2/20	5 years	\$230,000	NA
21-055-G	Deadfront Padmounted Switchgears	5/4/21	5 years	\$695,000	NA

### **ACTION REQUESTED:**

Management requests the Board approve a new contract with General Pacific, Inc. for the purchase of Single Phase Padmounted Transformers. Approximately \$470,000 was planned for purchase of transformers in the 2022 Electric Capital Budget of \$55 million, however units from this order are expected to be received in Q1 of 2023. This contract amount will be accounted for in 2023 budget planning that will occur later this year. Variances will be managed within the budget process and Board policy.

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