

EWEB Board Consent Calendar Request

For Cooperative Contracts

The Board is being asked to authorize the use of a cooperative contract for **various electrical products** with **Anixter**.

Board Meeting Date:	April 5, 2022	
Project Name/Contract #:	Electrical Products	Contract 121218-WES
Primary Contact:	Karen Kelley	Ext. 7153
Expected Spend:	\$5,000,000 (over 5 years)	

Narrative:

The Board is being asked to authorize the use of the Sourcewell Cooperative Contract 121218-WES with Anixter for the purchase of as-needed electrical products, including transformers and other items that are currently challenging to source at competitive rates. Like other cooperative programs, this Sourcewell contract leverages the purchasing power of public entities across the country to deliver competitive pricing and sourced contracts to public entities like EWEB. This Sourcewell contract offers pricing that includes discounts per commodity or a cost-plus price structure depending on the category of supply.

Operational Requirement and Alignment with Strategic Plan

It is essential for the electric utility to have a steady stock of quality electrical equipment for use in our electric distribution and transmission system in order to provide reliable service to meet the needs of our customers. The past 12 months have challenged EWEB's ability to maintain critical stock and source competitively. The Sourcewell contract with Anixter offers access to more than 1 billion items in stock across Anixter's branches and distribution centers across the US, as well as the ability to purchase items that have been difficult to source and seek competitive pricing for. EWEB intends to leverage this contract when existing EWEB Contractors are unable to supply in a timely manner.

Creating this contracting stream for equipment and materials is directly in support of Goal #1 to maintain efficient and effective operations. Ongoing maintenance, capital renewal and replacement, and compulsory compliance and customer facing (obligation to serve) related work flows all require ability to source materials and goods quickly and efficiently to meet the needs of project schedules. Ensuring that this method is an option for staff leading these projects will help to mitigate project delays associated with equipment shortages and provide additional paths for already vetted and competitive contracted goods.

Sourcewell is a local government unit from the state of Minnesota that assists public agencies to contract more efficiently than as an individual entity. 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 of the Sourcewell cooperative contract for as-needed electrical products with Anixter. Use of these funds was already accounted for in approved budget items throughout the Electric Division capital and O&M 2022 budgets of \$55 million and \$256.2 million respectively. This would not be additional equipment that is unplanned; only an additional option for procurement.