

EWEB Board Consent Calendar Request

For Cooperative Contracts

The Board is being asked to authorize the use of a cooperative contract for the purchase of **Various Light Duty Vehicles with Northside Ford**.

Board Meeting Date: July 5, 2022
Project Name/Contract #: As-needed light-duty vehicles / 1656
Primary Contact: Karen Kelley Ext. 7153
Expected Spend: \$800,000 (Over 3 years)

Narrative:

The Board is being asked to authorize the use of the State of Oregon Price Agreement 1656 with Northside Ford of Portland, Oregon for the purchase of as-needed light-duty vehicles which are currently challenging to source at competitive rates. Like other purchasing programs, this State of Oregon contract leverages the purchasing power of public entities across the country to deliver competitive pricing and sourced contracts to public entities like EWEB. This contract offers pricing that includes discounts per commodity depending on the category of supply.

Operational Requirement and Alignment with Strategic Plan

It is essential for the Utility to have vehicles for use in our electric and water distribution systems to provide reliable service to meet the needs of our customers. Unfortunately, there continues to be constraints on vehicle acquisition markets for light duty vehicles. A variety of supply chain issues continues to reduce the availability of new vehicles. As a result, vehicle inventory at new vehicle dealerships is depleting and there is a shortage of new vehicles available for fleet orders and out-of-stock purchases.

With dealers experiencing limited inventory and vehicle manufactures prioritizing their stock for consumer and retail sales, we are dealing with order-bank windows for fleet purchases being open from a few days to a couple of weeks before the model years are sold out. With this short time frame to order vehicles, EWEB Fleet Services has been unable to order some upcoming new vehicles because of the lead time it takes to obtain approvals.

Utilizing the State of Oregon Price Agreement for light duty vehicles is directly in support of 2022 Organizational Goal #1 to maintain efficient and effective operations. Ongoing maintenance, capital renewal and replacement, and compulsory compliance and customer facing (obligation to serve) related workflows 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.

ACTION REQUESTED:

Management requests the Board authorize the use of a cooperative contract for the purchase of as-needed light-duty vehicles with Northside Ford. The unit delivery times are unknown but anticipated to be at least 180 days after receipt of purchase order. These vehicles will be planned and budgeted for use in 2023-2025. Variances will be managed within the budget process and Board policy.