

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 **Digger Derricks** with **Altec Industries, Inc.**

Board Meeting Date:	July 11, 2023
Project Name/Contract #:	Digger Derricks / 23-092-G
Manager:	Scott Milovich Ext. 7408
Executive Officer:	Karen Kelley Ext. 7153
Expected Spend:	\$1.4 million (One-Time)

Narrative:

The Board is being asked to authorize the use of the Sourcewell 110421-ALT cooperative contract for the purchase of three Digger Derricks.

Operational Requirement and Alignment with Strategic Plan

This purchase, if approved, will be for three (3) Digger Derricks for the Electric Division's Line Crews. These Digger Derricks will be configured in accordance with EWEB specifications as outlined in the solicitation document. Two of these units are replacing Digger Derricks which will be over 20 years old when the new units arrive. The other is being procured to fill the required needs of crew structure and growth.

With supply chain interruptions and long lead times on new equipment, EWEB staff reached out to qualified vendors, each possessing a cooperative contract for Digger Derricks, on procuring three (3) new Digger Derricks. This method assured the Utility is receiving fair and competitive pricing by utilizing cooperative purchasing contracts. Only Altec Industries, Inc. and Terex responded with quotes. Elliott Equipment Company declined to provide a quote due to an inability to meet EWEB specifications and Versalift also declined to provide a quote due to an inability to provide product in the foreseeable future. Altec Industries, Inc. proved to be the lowest quote of the two received.

Although, these units were planned for normal replacement in 2023, with manufacturing delays, we will not receive the new units until the budget year of 2026.

Purchasing Process

Sourcewell, a State of Minnesota local government agency and service cooperative, issued RFP 110421 on September 16, 2021, to establish a national cooperative contract for Public Utility Equipment with Related Accessories and Supplies. This solicitation was published in the Daily Journal of Commerce in Oregon on September 17, 2021. Sourcewell awarded a contract to Altec Industries, Inc. on January 12, 2022. This contract expires on December 27, 2025, and may be extended up to one additional one-year period.

ACTION REQUESTED:

Management requests the Board authorize the use of a cooperative contract for three Digger Derricks with Altec Industries, Inc. Approximately \$1.3 million was planned for vehicles and power operated equipment in the 2023 Electric Capital Budget of \$74.2 million. Variances will be managed within the budget process and Board policy.