

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Delta Star, Inc.** for the purchase of (1) Power Transformer.

Board Meeting Date: 9/17/2013
Project Name/Contract#: Power Transformer 115 kV/12.47kV
Primary Contact: Mel Damewood Ext. 7145
Secondary Contact: Roger Gray Ext. 7130
Purchasing Contact: Sarah Gorsegner Ext. 7348

Action Requested:	
<input checked="" type="checkbox"/>	Contract Award
<input type="checkbox"/>	Contract Renewal
<input type="checkbox"/>	Contract Increase
<input type="checkbox"/>	Other

Contract Amount:
Original Contract Amount: \$ 660,000
Additional \$ Previously Approved: \$ n/a
Invoices over last approval: \$ n/a
Percentage over last approval: n/a %
Amount this Request: \$ 660,000
Resulting Cumulative Total: \$ 660,000

Funding Source:	
<input checked="" type="checkbox"/>	Budget
<input type="checkbox"/>	Reserves
<input type="checkbox"/>	New Revenue
<input type="checkbox"/>	Bonding
<input type="checkbox"/>	Other

Contracting Method:
Method of Solicitation: Formal Request for Proposals
If applicable, basis for exemption: n/a
Term of Agreement: Sept 2013-June 2014
Option to Renew? No
Approval for purchases "as needed" for the life of the contract No

Form of Contract:	
<input checked="" type="checkbox"/>	Single Purchase
<input type="checkbox"/>	Services
<input type="checkbox"/>	Personal Services
<input type="checkbox"/>	Construction
<input type="checkbox"/>	IGA
<input type="checkbox"/>	Price Agreement
<input type="checkbox"/>	Other

Narrative:

The Board is being asked to approve a new contract with **Delta Star, Inc.** of Lynchburg, VA for the purchase of one (1) 20/33MVA Power Transformer 115 kV/12.47kV.

EWEB proposes to purchase one (1) Power Transformer for use in EWEB's substation electrical distribution system. This transformer is a spare to improve system reliability in the event of failure or emergency outage. The lead time for these transformers is over 6 months. EWEB presently does not have a 20/33MVA system spare. There are (21) twenty-one active transformer installations of this size in the EWEB system with the oldest unit installed in 1970. With an average expected life of 40-50 years, it is prudent for EWEB to obtain a backup transformer. This transformer is required by the spring of 2014.

In June 2013, EWEB issued a formal Request for Proposals for the purchase of one (1) Power Transformer. The solicitation was reviewed by 23 companies. Fourteen responses were received; Delta Star, Inc. was determined to be the highest ranked offeror based on the evaluation criteria. Delta Star, Inc. offers equipment that meets EWEB's material specification and delivery requirements; they offer favorable payment terms, warranty, unloading services, and a competitive price.

If approved, staff will purchase one (1) Power Transformer at the contracted price.

ACTION REQUESTED:

Management requests Board approve a new contract with **Delta Star, Inc.** for purchase of one (1) 20/33MVA, 115 kV/12.47kV Power transformer. Funds for these purchases were budgeted for 2014.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Assistant General Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____