

South Utah Valley Electric Service  
District

Request for Proposal  
Material Supply & Warehousing  
Alliance Agreement

January 2023

**INTRODUCTION AND BACKGROUND**

**ISSUING OFFICE**

This Request for Proposal (RFP) is issued by:

**South Utah Valley Electric  
Service District  
PO Box 349  
803 N 500 E  
Payson, UT 84651  
801-465-8020  
Sesdofutah.org**

Point of contact for this RFP will be:

**Brook Christensen  
South Utah Valley Electric  
Service District  
PO Box 349  
803 N 500 E  
Payson, UT 84651**

**[brook@sesdofutah.org](mailto:brook@sesdofutah.org)**

**Open Date: January 1<sup>st</sup>, 2023**

**Due Date: January 31st, 2023,**

**To Be Received By: 5:00 pm**

## **INTRODUCTION**

South Utah Valley Electric Service District (“SESD”) is soliciting proposals from vendors experienced and pre-qualified in providing Transmission, Distribution, Metering, and Broadband Materials Inventory and Services as part of a strategic business arrangement with one or more suppliers. The overall goal of the program is to minimize total costs for SESD’s customers. SESD envisions working with the successful supplier(s) in a cooperative effort of continuous improvement over the term of the agreement to minimize lead time, improve product availability, quality, and reduce costs.

SESD is hereby contacting prospective vendors who have an interest or are known to also do business relevant to this RFP.

## **OBJECTIVE OF REQUEST FOR PROPOSAL**

The objective of this RFP is to provide sufficient information to enable qualified Respondents to submit written proposals. The RFP is not a contractual offer or commitment to purchase products or services. All information must be legible. The contents of the proposal submitted by the successful Respondent of the RFP may become part of any contract awarded as a result of this solicitation.

## **SUBMISSION OF PROPOSAL**

Respondents are requested to submit one (1) e-mail copy of the proposal in PDF format. The proposals must be received no later than the date and time shown under “Due Date”. Responses should be sent to:

[brook@sesdofutah.org](mailto:brook@sesdofutah.org)

Any proposals received after the deadline will be returned unopened. All proposals become the property of SESD. The content of all proposals will be kept confidential.

Proposals may be withdrawn or modified in writing prior to the proposal submission deadline. Proposals that are resubmitted or modified shall be re-submitted via email to SESD prior to the proposal submission deadline.

## **AWARD OF CONTRACT**

Contract(s) may be negotiated with contractor(s) whose proposal is determined to be most responsive and advantageous to SESD’s needs, considering all factors based on the criteria described herein, all as solely determined by SESD. Award of contract may be made without discussion after proposals are received. Proposals should, therefore, be submitted initially on the most favorable terms.

SESD reserves the right to reject any or all proposals and to award contract in whole or in part.

## **ADDENDA TO THE REQUEST FOR PROPOSAL**

If it becomes necessary to revise any part of this RFP, an addendum will be provided to all Respondents who have indicated intent to respond.

## **REQUESTS FOR INFORMATION**

The Request for Proposal (RFP) contains the instructions governing the proposals to be submitted and the material to be included therein; mandatory requirements which must be met to be eligible for consideration.

All communication regarding this Request for Proposal, including requests for clarification or additional information regarding submission shall be directed in writing and/or via e-mail to:

**Brook Christensen**  
**South Utah Valley Electric**  
**Service District**  
**PO Box 349**  
**803 N 500 E**

**Payson, UT 84651**

[brook@sesdofutah.org](mailto:brook@sesdofutah.org)

All technical questions must be received in writing (or e-mail) a minimum of five (5) calendar days prior to the proposal submission date. All timely requests shall be responded to in writing by SESD in the form of a written addendum addressed to all prospective Respondents to seek clarification.

#### **RESPONDENT RESPONSIBILITY FOR PROPOSAL COSTS**

SESD is not liable for any cost incurred by Respondent associated with the preparation of a proposal or the negotiation of a contract for services prior to the issuing of the contract; nor shall it be responsible to any successful bidder for any costs associated with the preparation of a proposal or the negotiation of a contract for services.

#### **ECONOMY OF PROPOSALS**

Vendors must submit a complete and concise response to the RFP on all materials and services, which they are capable of providing. All proposals received in response to this RFP will be retained by SESD. Proposals should be prepared simply and economically, while providing complete details of the contractor's abilities to meet the requirements of this RFP.

#### **PROPOSALS BINDING**

Respondents are advised that proposals shall be binding upon the Respondent for ninety (90) calendar days from the proposal due date. A Respondent may withdraw or modify their proposal any time prior to the proposal due date by a written request.

#### **RESPONDENT QUALIFICATIONS**

Respondents shall be required to be previously qualified with SESD to supply Distribution Materials and Services and have a history of past satisfactory performance.

Each Respondent may additionally be required to show that they have satisfactorily provided products and performed similar work in the past and that no claims of any kind are pending against such work. No proposal will be accepted from a Respondent who is engaged in any work, which would impair their ability to perform or finance this work. All such work shall be revealed in the Proposal.

No proposal will be accepted from, nor will a contract be awarded to, any Respondent who is in arrears to SESD, upon any debt or contract, or who is in default, as surety or otherwise, upon any obligation to SESD or is deemed to be irresponsible or unreliable by SESD.

#### **NOTIFICATION**

Each Respondent submitting a proposal in response to this RFP will be notified in writing as to acceptance or rejection of their proposal. SESD plans to release such letters within ninety (90) days of the proposal submission date. SESD may delay this action if it is deemed to be in the best interests of SESD.

## **RIGHT TO REJECT PROPOSALS AND NEGOTIATION**

SESD reserves the right to reject any and all proposals and to waive any informalities in proposals received, to accept or reject any or all of the items in the proposal, and award the contract in whole or in part, if it is to be in SESD's best interest. Additionally, SESD reserves the right to negotiate any and all elements of the proposal, if such action is deemed in the best interest of SESD.

## **AUTHORIZATION TO PUBLISH**

Throughout the term of this RFP, prospective Respondents must secure from SESD written approval prior to their release of any verbal or written information to third parties that pertains to potential work or activities covered by this RFP. Failure to adhere to this clause may result in disqualification of the Respondent.

## **TAXES ARE NOT APPLICABLE**

Any equipment provided to SESD as a result of this proposal is tax exempt.

## **SELECTION PROCESS**

A proposal evaluation team will judge the merit of all proposals received in accordance with the general evaluation criteria listed below. Failure to provide any of the information requested may result in the proposals being removed from further consideration.

The proposal evaluation team may, at its discretion, request presentation or facilities visits of Respondents.

## **PROPOSAL INSTRUCTIONS**

Respondents shall review and answer the following questions by section, in a concise manner in order to reflect their ability to service SESD's material needs.

### **Section 1: Warehousing**

- 1) Do you offer consignment programs? If so, what type of program would benefit SESD the most and why?
  - a) How would the inventory and materials management process work?
- 2) SESD's preference is for the supplier to have presence in Utah. Please describe your current location(s) of resources and facilities that would be used to provide materials and services.
  - a) Include where and how many warehouses your company has to service our territory.
- 3) Would you have the ability to offer Warehousing and Inventory management at SESD's office?
- 4) What type of system would you offer?
- 5) SESD owns vacant property at its office location, would Respondent be interested in stocking materials at our location as part of this alliance?

- a) If so, what size of an area would be required to stock inventory?
- b) What lease terms or other general terms would you offer SESD?

### **Section 2: Alliance support**

1. Please explain the level of experience your dedicated Alliance Manager will have for SESD.
2. Provide contact information of the individual who would serve as SESD's primary dedicated Alliance Manager:
3. Describe your company's process for customer service support after normal business hours.
4. How long (in hours) would it take you to provide materials to our location(s) if we contact you after normal business hours?
5. How close is your facility in relation to SESD?

### **Section 3: Inventory Management**

1. Does your company offer value added programs related to Inventory Optimization?
2. What type of Inventory management system do you offer?
3. How will you ensure that SESD has visibility to your stocking level or inventory parameter changes?
4. What overall level of stock do you carry to support public power needs?
5. How many alliance partnerships do you have with public power customers in the Mountain Region (consider 500-mile radius)?
6. What percentage of your company's sales are focused toward public power customers versus sales to Investor owned utilities, municipalities, and contractors.

### **Section 4: Materials Management**

1. Explain how you will work with vendors/manufacturers to manage inventory levels and how you will act as the Gatekeeper on behalf of SESD?
2. What is your standard lead time in days to process, pick and ship to SESD location(s) for material you have in stock?
3. Can you facilitate Contractor pick up of material orders at your location? If yes, what standard lead-time would be required to do so?
4. Can you provide monthly reporting in excel format of all items issued to SESD or designated contractors regardless of whether material was shipped or will called?
5. Does your company operate a NAIL certified test lab?
6. Does your company provide an Inventory management software, barcode scanning, RFID or other inventory tracking solution?

### **Section 5: Pricing Structure**

1. SESD prefers a Cost Plus pricing structure. What Gross Product Margin percent (i.e. XX.X% gross product margin) do you propose to operate the SESD model on, based on the service components as noted above?
2. What is the cost basis for the product Gross Product Margin percent (Weighted Average Cost, Unit Book Value, etc)?
3. Does your company offer patronage/capital credits to SESD?

### **Section 6: Transparency**

1. Is your company willing to have an "open book" relationship with SESD?
2. What Audit rights would SESD have to your transaction records, balance sheets, income statements and the like?
3. Describe what open book means to you and provide an example of your income statement that will be used as part of the financial review.
4. Are your proposed contracted gross margins to SESD net of any rebates received from manufacturers?
5. What is the proposed frequency of income statement reviews?

### **Section 7: Project Management**

1. Who from your firm will be responsible for managing the entire integration and implementation process from start to finish? Please provide their credentials in regards to project management experience.

### **Section 8: Contract Term**

1. What is your company's proposed contract duration?