



Rochelle Municipal Utilities
Electric Operations Division

Memo

To: David Plyman

From: Jason Bird

CC: Sue Messer

Date: 1/20/2016

Re: Inventory Program

RMU reached out to four vendors to participate in a vendor management inventory program with them, we received two very good application. After carefully reviewing the two applications, my recommendation would be to select Anixter Power Solutions as the successful application. The next step would require Anixter Power Solutions to draw up a contract and RMU legal staff to review.

RMU inventory is very large and one way to get a better grasp on the inventory and control cost is a program such as the Vendor Management Inventory program. This program will help maintain real time inventory counts, allows for overstock items to be sold back or get assistance to find a buyer for such items. VMI will also provide a larger pool in emergency response with needed material and put us on a 24/7 call list with the vendor. There are many advantages to the program cost savings, reliable deliveries, true numbers of inventory.

Briefly the reason RMU has selected Anixter Power solutions are two fold, cost and reliability. Anixter Power Solutions has provided material to RMU as well as the other Vendor who submitted an application. After reviewing the cost of such items, in most cases Anixter was considerably less in cost. When it comes to the reliability of the program, Anixter Power Solutions has provided this kind of program to not only large investor owned utilities but smaller Public Power system such as ours. Anixter is an Illinois company, with resources all across the country.

Thanks

Jason Bird

Superintendent of Electric Operations.