



PURCHASING ITEM FOR COUNCIL AGENDA

1. Agenda Item Number:

39

2. Council Meeting Date:

December 11, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: November 10, 2014

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Purchase of Maintenance, Repair and Operational (MRO) Supplies with Grainger including tools, shelving, safety supplies, lighting, fire extinguishers, medical supplies and material handling supplies.

6. RECOMMENDATION: Staff recommends the approval of the purchase of MRO Supplies, utilizing the National Intergovernmental Purchasing Alliance Company (NIPA) Contract #141003 with Grainger, in an amount not to exceed \$250,000.

7. HISTORICAL BACKGROUND/DISCUSSION: In March 2014, the City of Tucson, partnering with the National Intergovernmental Purchasing Alliance Company (NIPA), served as the lead agency to competitively solicit and award a contract for MRO Supplies that would be available for national cooperative use. The contract term is January 1, 2015 through December 31, 2018 with two (2) additional one-year extension options. The contract with Grainger includes all items available in their catalog, including tools, shelving, safety supplies, lighting, fire extinguishers, medical supplies and material handling supplies. This contract is used primarily by Facilities Maintenance, Central Supply, Police, Fire, Water Reclamation and Water Production. The City of Chandler has the ability to use this contract cooperatively through an approved intergovernmental agreement with NIPA. The proposed \$250,000 contract amount reflects anticipated purchases based upon previous usage and includes a contingency for unanticipated needs.

8. EVALUATION PROCESS: The City of Tucson issued a Request for Proposals in March 2014 as a cooperative contract through NIPA. Eight responses were received and evaluated by the City of Tucson and NIPA. The contract has a specific customized discounted core list of over 100 high-use items, as well as a core list that contains 1,275 items including 100 sustainability items and 150 emergency preparedness and response items. General catalog discounts are available on all other items offered in the Grainger catalog. In addition, through this contract Grainger offers value-added services such as inventory solutions, process and technology consulting services, training and education. A variety of items in the catalog are stocked in Central Supply and distributed upon request. City departments also order items directly from Grainger and these are shipped directly to the requesting user. The total volume of usage under the national contract offers large discounts on items regularly purchased by the City.

9. FINANCIAL IMPLICATIONS: Funds for the requested supplies will come from General Fund, Inventory account (101.0000.1516). Individual cost centers will be charged for the supplies as they are issued from Central Supply or charged directly to individual cost centers through purchasing card reconciliation.

10. PROPOSED MOTION: Move to approve the purchase of MRO Supplies, utilizing the NIPA Contract #141003 with Grainger, in an amount not to exceed \$250,000.

APPROVALS

11. Requesting Department

12. Department Head

Jose Tapia, Supply Supervisor

Dawn Lang, Management Services Director

13. Procurement Officer

14. City Manager

Juan Martinez

Rich Dlugas