



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

#27

2. Council Meeting Date:
December 10, 2015

TO: MAYOR AND COUNCIL

3. Date Prepared: November 13, 2015

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Purchase of Maintenance, Repair and Operational (MRO) Supplies

6. RECOMMENDATION: Staff recommends City Council approve the utilization of the National Intergovernmental Purchasing Alliance (NIPA) Company Contract #141003 with Grainger, Inc., for the purchase of MRO supplies, for the term of January 1, 2016, through December 31, 2016, in an amount not to exceed \$250,000.

7. BACKGROUND/DISCUSSION: On December 11, 2014, the City of Tucson, partnering with the National Intergovernmental Purchasing Alliance (NIPA) Company, 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, Inc., 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 Buildings and Facilities, Central Supply, Police, Fire, Health and Medical, Wastewater Collection, and Water Distribution. The City of Chandler has the ability to use this contract cooperatively through an approved Intergovernmental Agreement with NIPA. The requested \$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 Proposal for MRO supplies in March 2014, as a national cooperative contract through NIPA. Eight responses were received and evaluated by the City of Tucson and NIPA. The City Council approved the cooperative use of this contract in December 2014. 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. 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 department. The total volume of usage under the national contract offers large discounts on items regularly purchased by the City.

This second one-year term of the City of Chandler's cooperative use of this contract will be January 1, 2016, through December 31, 2016.

9. FINANCIAL IMPLICATIONS:

Cost: \$250,000

Funds for the requested supplies will come from the Central Supply Inventory account (101.0000.1516). Individual cost centers will be charged for the supplies as they are issued from Central Supply.

10. PROPOSED MOTION: Move to approve the utilization of the National Intergovernmental Purchasing Alliance (NIPA) Company Contract #141003 with Grainger, Inc., for the purchase of MRO supplies, for the term of January 1, 2016, through December 31, 2016, in an amount not to exceed \$250,000.

APPROVALS

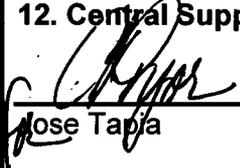
11. Requesting Department

Christina Pryor, Purchasing and Materials Manager

13. Department Head

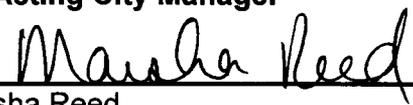
Dawn Lang, Management Services Director

12. Central Supply Supervisor



Jose Tapia

14. Acting City Manager



Marsha Reed