



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

38

2. Council Meeting Date:
February 28, 2008

TO: **MAYOR & COUNCIL**

3. Date Prepared: February 5, 2008

THROUGH: **CITY MANAGER**

4. Requesting Department: Management Services

5. **SUBJECT:** Approve use of the State of Arizona Contract EPS060050-1-A3 with Grainger for the purchase of Industrial Supplies and Equipment in an amount not to exceed \$120,000.

6. **RECOMMENDATION:** Recommend approval to use the State of Arizona Contract EPS060050-1-A3 with Grainger for the purchase of Industrial Supplies and Equipment in an amount not to exceed \$120,000.

7. **HISTORICAL BACKGROUND/DISCUSSION:** In the past, the City has fulfilled its requirement for tools, and motors (i.e. pliers, saws, socket wrenches, fire extinguishers and material handling supplies shrink wrap, hand trucks and storage racks) utilizing several State of Arizona contracts. These supplies are now offered through the State on a single catalog contract with Grainger, Contract EPS060050-1-A3. The proposed \$120,000 contract amount reflects anticipated purchases based upon previous usage of these various State contracts, and includes a contingency for unanticipated needs. The contract with Grainger covers everything in their catalog from tools to equipment and garden supplies. Most items are to be stocked in the City's Central Supply and used primarily by the Building and Facilities, Housing and Redevelopment, Reverse Osmosis, Water Distribution, Water Production, Wastewater Operations, Recreation and Park Development Divisions.

8. **EVALUATION PROCESS:** Utilizing the State of Arizona Contract EPS060050-1-A3 with Grainger the City saves the costs associated with the bid process and reduces the lead-time in obtaining the products therefore resulting in a lower overall cost due to volume discounts. Also, administrative cost savings will be achieved by the issuance of a single purchase order to one vendor for the commodities required.

9. **FINANCIAL IMPLICATIONS:** Funds for the requested supplies will come from General Fund Inventory account (101.0000.0000.1516). Individual cost centers will be charged for the supplies as they are issued from Central Supply.

10. **PROPOSED MOTION:** Move to approve use of the State of Arizona Contract EPS060050-1-A3 with Grainger for the purchase of Industrial Supplies and Equipment in an amount not to exceed \$120,000.

APPROVALS

11. Requesting Department


William Robinson, Central Supply Supervisor

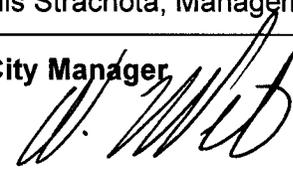
12. Department Head


Dennis Strachota, Management Services Director

13. Procurement Officer


Sharon Brause, CPPB

14. City Manager


W. Mark Pentz