

# AGENDA



Thursday, March 5, 2009

## Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 23

**Subject:** Authorize execution of nine-month requirements supply contract through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) with GRAINGER, INC., Austin, TX, to purchase industrial supplies and equipment in an estimated amount not to exceed \$1,687,500, with one 12-month extension option in an estimated amount not exceed \$2,250,000, for a total estimated contract amount not to exceed \$3,937,500.

**Amount and Source of Funding:** Funding in the amount of \$1,312,500 is available in the 2008-2009 Operating Budget of various City departments. Funding for the remaining extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Cruz Banda, Buyer II/974-2133

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

This contract will provide a reliable source for industrial supplies and equipment used by various City departments to repair and maintain facilities and equipment throughout the City. It will be used by most City departments to purchase small equipment and supplies on an as needed basis for the daily operations of the City. Staff will be able to have quick and reliable access to all products available from Grainger's on-line ordering system.

This list of items available to the City include a wide variety of repair and maintenance equipment and supplies that include, but are not limited to: electrical, plumbing, fleet vehicle maintenance shop and testing equipment, HVAC testing and maintenance equipment, janitorial equipment and cleaning supplies, electrical hand tools, hardware, safety equipment and supplies, small electrical motors and generators, lighting, security, and test instruments.

This is a City-wide contract that will aggregate the City's requirements from several smaller contracts into a single contract. The estimated departmental usage is as follows: Austin Water Utility (26%), Convention Center(25%), Public Works (13%), Austin Energy (6%), Aviation (7%), Parks and Recreation (2%), Fleet Services (7%), Building Services (2%), Austin/Travis County Health Human Services (2%), Austin Fire Department (1%), Austin Police Department (1%), Library (1%), EMS (1%), Solid Waste (1%) and the remaining 5% will be utilized by other various departments.

W.W. Grainger, Inc. is under contract through TXMAS to provide this equipment to other public entities state-wide. This cooperative purchasing program is coordinated by the State of Texas, Comptroller of Public Accounts and allows the City to use TXMAS contracts that have been developed from contracts that were competitively bid and awarded by other public entities. This contract was originally solicited by the State of Nevada and was awarded through the Western States Cooperative Agreement (WSCA) and

included in the list of available contracts to the City through TXMAS. This agreement provides a much larger volume discount on pricing than would otherwise be available to the City.