MEMORANDUM

City of Austin
Financial Services Department
Purchasing Office

DATE: October 29, 2020

TO: Memo to File

FROM: Bridney Stewart, Procurement Specialist II

RE: MA 7400 GC190000007 – Grainger

This contract expiration date was changed to 10/29/2020 during the Department 5000 MA conversion. MA 5000 GC190000007 is the new contract which was replicated from this original contract.

CONTRACT BETWEEN THE CITY OF AUSTIN ("City")
AND
WW GRAINGER INC. ("Contractor")
FOR
INDUSTRIAL SUPPLIES, EQUIPMENT, TOOLS, AND SERVICES
MA 7400 GC190000007

This Contract is between WW Grainger Inc. having offices at Lake Forest, IL 60045 and the City, a home-rule municipality incorporated by the State of Texas and is effective on October 1, 2019. Solicitation requirements are met by using Contractor's Sourcewell Contract No. 121218-WWG.

1.1 **This Contract is composed of the following documents:**

1.1.1 Sourcewell Contract No. 121218-WWG

1.1.2 This Contract

1.1.3 Exhibit A, Supplemental Terms

1.1.4 Exhibit B, the City's Non-Discrimination Certification

1.1.5 Exhibit C, the City's Non-Suspension and Debarment Certification

1.2 **Order of Precedence.** Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

1.2.1 Sourcewell Contract No. 121218-WWG as referenced in Section 1.1.1

1.2.2 This Contract

1.2.3 Exhibit A as referenced in Section 1.1.3

1.2.4 Exhibit B, as referenced in Section 1.1.4

1.2.5 Exhibit C, as referenced in Section 1.1.5

1.3 **Quantity.** There is no guaranteed quantity of work for the period of the Contract and there are no minimum order quantities. Work will be on an as needed basis.

1.4 **Term of Contract**. The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect until January 25, 2023. The Contract may be extended beyond the initial term for up to one additional 12- month period at the City's sole option, subject to the extension of the cooperative contract (as referenced in Section 1.1.1 above).

1.4.1 If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.

1.4.2 Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under this Contract (not exceed 120 calendar days unless mutually agreed on in writing).

1.4.3 This is a 40-month Contract. Prices are firm for the first twelve (12) months.

1.5 **Compensation.** The Contractor shall be paid a total Not-to-Exceed amount of $19,887,750 for the initial Contract term and $5,815,000 for each extension option for a total amount Not-to-Exceed $25,702,750.

1.6 **Clarifications and Additional Agreements.** The following incentive will apply for each calendar year. For each calendar year, Grainger will provide a purchase incentive to Member to be paid annually ("Incentive"). Incentives are based upon such Growth Rates and the corresponding Incentive percentages listed in the table below.

Growth Rate Over Previous Year Baseline Purchases	Incentive Payout % on Total Purchases for Calendar Year
Negative Sales Growth	0.5%
0% - 9.99%	1%
10.00% and above	2%

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the City has caused a duly authorized representative to execute this Contract on the date set forth below.

WW GRAINGER INC.	**CITY OF AUSTIN**
Robert Garcia	
Signature	Signature
Robert Garcia	Matthew Duree
Printed Name of Authorized Person	Printed Name of Authorized Person
Sr Gov Sales Manager	Procurement Manager
Title	Title
10/7/2019	10-8-19
Date	Date

Exhibit A - Supplemental Terms
Exhibit B, the City's Non-Discrimination Certification
Exhibit C, the City's Non-Suspension and Debarment Certification

EXHIBIT A
CITY OF AUSTIN
SUPPLEMENTAL PURCHASE PROVISIONS

The following Supplemental Purchasing Provisions apply to this contract:

1. **INSURANCE:** Insurance is required for this solicitation.

   A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

      i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
      ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
      iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
      iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

         City of Austin Purchasing Office
         P. O. Box 1088 OR PURInsuranceCompliance@austintexas.gov
         Austin, Texas 78767

   B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

      i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are $100,000 bodily injury each accident, $500,000 bodily injury by disease policy limit and $100,000 bodily injury by disease each employee.
         (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
            (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
            (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage

      ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are $500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
         (1) The policy shall contain the following provisions:
            (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
            (b) Contractor/Subcontracted Work.
            (c) Products/Completed Operations Liability for the duration of the warranty period.
            (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
         (2) The policy shall also include these endorsements in favor of the City of Austin:
            (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
            (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
            (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage

iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident.

(1) The policy shall include these endorsements in favor of the City of Austin:

(a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage

(b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage

(c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

2. **TERM OF CONTRACT:**

A. The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect unitl Janurary 25, 2023. The Contract may be extended beyond the initial term for up to one additional 12-month period at the City's sole option. If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.

B. Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under this Contract. Any hold over period will not exceed 120 calendar days unless mutually agreed on by both parties in writing.

C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.

D. Prices are firm and fixed for the first 12 months.

3. **QUANTITIES:** The quantities listed herein are estimates for the period of the Contract. The City reserves the right to purchase more or less of these quantities as may be required during the Contract term. Quantities will be as needed and specified by the City for each order. Unless specified in the solicitation, there are no minimum order quantities.

4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the addresses specified at the time of order.

B. The Contractor agrees to accept payment by credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

EXHIBIT A
CITY OF AUSTIN
SUPPLEMENTAL PURCHASE PROVISIONS

5. **RECYCLED PRODUCTS:**

A. The City prefers that Offerors offer products that contain recycled materials. When a recycled product is offered by the Offeror, the Offeror must state in their Offer the percentage of the product that is recycled and must include a list of the recycled materials that are contained in the product.

B. The recycled content of paper products offered to the City shall be in accordance with the Federal Environmental Protection Agency's Recycled Product Procurement Guidelines. These guidelines are available at **http://www.epa.gov/cpg/ .**

C. Contract award for paper products will be made for recycled products unless the cost is more than 10% above the lowest price for non-recycled paper products as required in the City's Comprehensive Recycling Resolution.

6. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Sandy Wirtanen – Procurement Specialist IV

Sandy.wirtanen@austintexas.gov

512-974-7711

City of Austin, Texas
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE
NON-DISCRIMINATION CERTIFICATION

SOLICITATION NO [ ]

City of Austin, Texas
Human Rights Commission

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:

Chapter 5-4. Discrimination in Employment by City Contractors.

Sec. 4-2 Discriminatory Employment Practices Prohibited. As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

(B) (1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.

(3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.

(6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.

(7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination in Employment Policy:

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, **OR THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.**

Sanctions:
Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

Term:
The Contractor agrees that this Section 0800 Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 7th day of OCTOBER, 20 19.

CONTRACTOR W. W. Grainger Inc

Authorized Signature

Title Sr Gov Sales Manager

City of Austin, Texas
NON-SUSPENSION OR DEBARMENT CERTIFICATION

SOLICITATION NO. _____

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of $25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin Contracts to be awarded and all contract extensions with values equal to or in excess of $25,000.00 or more and all non-procurement transactions.

The Offeror hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.

Contractor's Name:	W. W. Grainger Inc		
Signature of Officer or Authorized Representative:		Date:	Oct 7, 2019
Printed Name:	Robert Garcia		
Title:	Sr Gov Sales Manager		

Form C

EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS, AND SOLUTIONS REQUEST

Company Name: W.W. Grainger, Inc.

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
		Grainger has no exceptions to list	

Proposer's Signature: Ch Foster **Date:** 12/6/2018

Sourcewell's clarification on exceptions listed above:

LEGAL
HCP
Initials
Jan. 16, 2019
Date

Contract Award
RFP #121218

FORM D

Formal Offering of Proposal
(To be completed only by the Proposer)

FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES

In compliance with the Request for Proposal (RFP) for FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: W.W. Grainger, Inc. Date: 12/06/2018

Company Address: 100 Grainger Parkway

City: Lake Forest State: IL Zip: 60045

CAGE Code/DUNS: 005-10-3494

Contact Person: Chris Porter Title: Sr. Government Sales Manager

Authorized Signature: Chris Porter
(Name printed or typed)

DocuSign Envelope ID: A0846B52-4F01-44E2-95EF-27A98329A166

FORM E

CONTRACT ACCEPTANCE AND AWARD

(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 121218-WWG

Proposer's full legal name: W.W. Grainger, Inc.

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be January 25, 2019 and will expire on January 25, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:
Jeremy Schwartz
C05D2A139D06489...
SOURCEWELL DIRECTOR OF OPERATIONS AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

DocuSigned by:
Chad Coauette
7E42B8E817A64CC...
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coauette
(NAME PRINTED OR TYPED)

Awarded on January 23, 2019

Sourcewell Contract # 121218-WWG

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Grainger

Authorized Signatory's Title Sr. National Government Sales Manager

Chris Porter
VENDOR AUTHORIZED SIGNATURE

Chris Porter
(NAME PRINTED OR TYPED)

Executed on Jan. 29, 2019

Sourcewell Contract # 121218-WWG

Form F

PROPOSER ASSURANCE OF COMPLIANCE

Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.

2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.

3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.

4. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.

5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

7. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: W.W. Grainger, Inc.

Address: 100 Grainger Parkway

City/State/Zip: Lake Forest, IL 60045

Telephone Number: 940-867-7602

E-mail Address: Chris.Porter@grainger.com

Authorized Signature: Chris Porter

Authorized Name (printed): Chris Porter

Title: Sr. Government Sales Manager

Date: 12/06/18

Notarized

Subscribed and sworn to before me this 6th day of December, 20 18

Notary Public in and for the County of Lake State of Illinois

My commission expires: 12/20/21

Signature: Irma Markoff

OFFICIAL SEAL
IRMA MARKOFF
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/20/21

Form P

PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name: W.W. Grainger, Inc.

Questionnaire completed by: Chris Porter

Payment Terms and Financing Options

1) What are your payment terms (e.g., net 10, net 30)?

   Grainger North America's payments terms are NET 30.

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

   Grainger North America does not offer leasing or financing options at this time.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.

   Grainger is proposing a Business to Government order process, through a Grainger or Acklands-Grainger branch or any of the multiple EDI platforms.

   Grainger's utilizes SAP's innovation for reporting, transactional, planning, logistical and operational needs of the facilities maintenance marketplace and especially to meet our customers' reporting requirements. Grainger can provide quarterly sales data to Sourcewell

4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?

   Grainger North America accepts all types of VISA, MasterCard, Discover Card and American Express (AMEX) cards as a means of payment. There is no additional cost to Members for this process.

5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

   Grainger US Warranty

   Satisfaction guarantee to all customers

   Customer should contact Grainger if not satisfied with a product for any reason. Grainger will promptly provide an exchange or refund if the product is returned within 30 days of delivery, in its original packaging and with proof of purchase from Grainger.

   GRAINGER LIMITED WARRANTY FOR BUSINESSES

All products sold to business customers are warranted by Grainger only for use in business, government, resale, or original equipment manufacturer against defects in workmanship or materials under normal use for one (1) year after date of purchase from Grainger. At Grainger's option, the exclusive remedy for any product it determines to be defective in workmanship or materials will be repair, replacement or refund of the purchase price.

WARRANTY DISCLAIMER

A. No warranty or affirmation of fact, express or implied, other than as set forth in the limited warranty statement above, is made or authorized by Grainger. Grainger disclaims any liability for claims arising out of product misuse, improper product selection, improper installation, product modification, misrepair or misapplication. Grainger expressly disclaims any warranty that the products: (i) are merchantable; (ii) fit for a particular purpose; or (iii) do not and will not infringe upon others' intellectual property rights.

B. Grainger makes no warranties to those defined as consumers in the Magnuson-Moss warranty-federal trade commission improvement act.

LIMITATION OF LIABILITY

Grainger expressly disclaims any liability for consequential, incidental, special, exemplary, or punitive damages. Grainger's liability in all circumstances is limited to, and shall not exceed, the purchase price paid for the product that gives rise to any liability.

SATISFACTION GUARANTEE TO ALL CUSTOMERS.

Customer should contact Grainger if not satisfied with a product for any reason. Grainger will promptly provide an exchange or refund if the product is returned within 30 days of delivery, in its original packaging and with proof of purchase from Grainger.

LIMITED WARRANTY FOR BUSINESSES.

A. ALL PRODUCTS SOLD ARE WARRANTED BY GRAINGER ONLY TO CUSTOMERS FOR: (i) RESALE; OR (ii) USE IN BUSINESS, GOVERNMENT OR ORIGINAL EQUIPMENT MANUFACTURE.

B. Grainger warrants products against defects in materials and workmanship under normal use for a period of one (1) year after the date of purchase from Grainger, unless otherwise stated. Provided that Grainger accepts the product for return during the limited warranty period, Grainger may, at its option: (i) repair; (ii) replace; or (iii) refund the amount paid by customer. Customer must return the product to the appropriate Grainger branch or authorized service location, as designated by grainger, shipping costs prepaid. Grainger's repair, replacement, or refund of amounts paid by customer for the product, shall be customer's sole and exclusive remedy.

WARRANTY DISCLAIMER AND LIMITATIONS OF LIABILITY TO ALL CUSTOMERS.

Except as set forth herein and where applicable, no warranty or affirmation of fact or description, express or implied, is made or authorized by Grainger. Grainger disclaims any express or implied warranties of merchantability, fitness for a particular purpose or noninfringement of intellectual property rights. Grainger also disclaims any liability for claims arising out of product misuse, improper product selection, improper installation, product modification, misrepair or misapplication. Grainger expressly disclaims any liability for consequential, incidental, special, exemplary, or punitive damages to the extent permissible. Grainger's liability in all events is limited to the purchase price paid for the product that gives rise to any liability.

Warranty Product Return.

Before returning any product, customer may contact Grainger either by logging on to www.grainger.com/returns or calling Grainger's Customer Care at 1-800-GRAINGER (472-4643). Proof of purchase is required in all cases.

Manufacturer's Warranty.

For information on a specific manufacturer's warranty, please contact the local Grainger branch or call Grainger Customer Care at 1-800-GRAINGER (472-4643).

Product Compliance and Suitability.

Jurisdictions have varying laws, codes and regulations governing construction, installation, and/or use of products for a particular purpose. Certain products may not be available for sale in all areas. Grainger does not guarantee compliance or suitability of the products it sells with any laws, codes or regulations, nor does Grainger accept responsibility for construction, installation and/or use of a product. It is customer's responsibility to review the product application and all applicable laws, codes and regulations for each relevant jurisdiction to be sure that the construction, installation, and/or use involving the products are compliant.

Cross-Reference Information.
Product cross-reference comparisons or product alternatives that are presented do not imply that products are available or perfectly comparable. CROSS-REFERENCED PRODUCTS OR PRODUCT ALTERNATIVES ARE NOT REPRESENTED OR WARRANTED AS FUNCTIONAL OR PERFORMANCE EQUIVALENTS. Customer shall review all cross-referenced product or product alternative specifications prior to purchase and use to determine suitability of the product for customer's intended use.

Grainger Canadian Limited Warranty:

Limited Warranty
The warranty and return policy for all products sold hereunder (the "Products") is determined by the original equipment manufacturer and/or supplier. All products sold by Acklands-Grainger Inc. ("Acklands-Grainger") are warranted only to the extent of the manufacturer's/supplier's warranty, and only to purchasers ("Buyers") for resale or for use in their business in Canada.

Products are warranted against defects in workmanship or materials only in accordance with the individual manufacturer's warranty policy. Manufacturers of certain Products, such as fasteners, do not provide a warranty period.

Any part which is determined by Acklands-Grainger to be defective in material or workmanship and returned to an Acklands-Grainger branch or authorized service location as Acklands-Grainger designates, shipping costs prepaid, will be repaired or replaced, at Acklands-Grainger's sole option, as the Buyer's exclusive remedy.

Warranty Disclaimer
Acklands-Grainger has made a diligent effort to illustrate and describe the Products in its catalogues accurately; however, such illustrations and descriptions are for the sole purpose of identification, and do not express or imply a warranty or condition that the Products are merchantable, or fit for a particular purpose or that the Products will necessarily conform to the illustrations or descriptions. The Products are sold to Buyers on an "as is, where is" basis, and no warranty or condition or affirmation of fact, express or implied, other than as set forth in the limited warranty above is made or authorized by Acklands-Grainger. Any and all representations and warranties, express or implied, legal, statutory, conventional or otherwise with respect to the Products (including, implied warranties as to merchantability or fitness for a particular purpose), whether pursuant to the Sale of Goods Act of any province or otherwise, are hereby expressly excluded and disclaimed.

Limitation of Liability
Any liability for indirect, special, exemplary, punitive, consequential or incidental damages is expressly disclaimed by Acklands-Grainger. Acklands-Grainger's liability in all events for all damages, losses and causes of action (whether in contract, tort or otherwise) shall be limited in the aggregate to, and shall not exceed, the purchase price paid by the Buyer for the Product in question.

Prompt Disposition
Acklands-Grainger will make a good faith effort for prompt correction or other adjustment with respect to any Product which proves to be defective within the warranty period. Before returning any Product, write or call the Acklands-Grainger location from which the Product was purchased, giving date and number of original invoice and describing the defect. The Acklands-Grainger branch will give instruction as to the method of returning the Product.

Product Suitability
Many provinces and locations have laws, codes and regulations governing sales, construction, installation and/or use of products for certain purposes, which may vary from those in neighboring areas. While Acklands-Grainger attempts to ensure that its Products comply with such codes, it cannot guarantee compliance, and cannot be responsible for how Products are installed or used. Before purchase and use of a Product, please review the Product, and applicable national, provincial and local laws, codes and regulations, and be sure that the Product, as well as its installation and use, complies with them.

Hazardous Materials Information
For the information of Buyers, Acklands-Grainger has obtained Material Safety Data Sheets ("MSDS") for all "controlled products" within the meaning of the Hazardous Products Act (Canada) and the Controlled Products Regulations made under that Act, in respect of Products offered for sale by Acklands-Grainger. The MSDS in question conform with the requirements of

provincial occupational health and safety legislation which regulates "hazardous material" and the applicable Workplace Hazardous Materials Information Systems Regulations made thereunder. Such MSDS are available at your local Acklands-Grainger branch and will be provided to the Buyer of any such Product at the time of sale. The information and recommendations contained in the applicable MSDS supplied/prepared by the manufacturer are considered to be accurate and reliable. However, Acklands-Grainger makes no warranty with respect to the accuracy or reliability of the information or the suitability of the recommendations. Acklands-Grainger disclaims any and all liability to any user thereof.

Cross-Reference Information
Product cross-reference comparisons do not imply that all products compared are available, or in the case of functional equivalency, that past performance and other characteristics are comparable. For critical applications, review specifications prior to purchase.

Manufacturers' Warranties and Sales Literature
Most of the Products listed in Acklands-Grainger's catalogues are warranted to the end users by their manufacturer. As applicable, such warranties may supersede or exclude other stated warranties. Copies of such warranties are supplied with the Product or are available from the manufacturer. As a service, Acklands-Grainger will obtain copies of warranties from the warrantor and will furnish them free of charge to customers who request them. Address requests to: 90 West Beaver Creek Road, Richmond Hill, Ontario L4B 1E7. Requests must include the Acklands-Grainger order number and the manufacturer and model number of each Product for which a copy of the warranty is requested. Acklands-Grainger may also furnish sales brochures and other literature of the manufacturer. Acklands-Grainger assumes no responsibility for such warranties or sales literature by performing this service.

- Do your warranties cover all products, parts, and labor?
  All warranties cover all products/equipment parts. Grainger North America doesn't provide labor, unless manufacturer's warranty covers labor.

- Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
  Grainger North America shall have no liability for, and expressly disclaims any warranty, express or implied, including (i) the implied warranties of merchantability and fitness for a particular purpose and (ii) any warranty or affirmation of fact related to misuse, improper selection, recommendation, or misapplication of any product.

- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
  This is not applicable because Grainger North America is a distributor, not a manufacturer, and therefore does not have technicians on staff that perform warranty work on products sold.

- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?
  Grainger North America, as nationwide distributors of Maintenance, Repair and Operations products, generally will not be the manufacturer and service provider for the majority of the products offered pursuant to the awarded contract. Upon request, the manufacturer of a given product will address the geographic availability of a warranty repair technician.

- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
  Many of the Products listed in Grainger North America's General Catalogs are warranted by the manufacturer to the final user. Upon request by Buyer, as a service for the Term of this Agreement, Grainger North America will obtain copies of manufacturers' consumer warranties and will furnish them free of charge to Buyer. Such requests must include the Grainger's stock number and the manufacturer's model number (if shown) of each Product for which a copy of the warranty is requested. Grainger may also furnish sales brochures and other literature of the manufacturer. Grainger North America assumes no responsibility for the content or coverage contained in any manufacturer's warranty or sales literature by providing this service.

- What are your proposed exchange and return programs and policies?
  Grainger US Exchange and Return Policy: Returns for Grainger catalog products can be made up to one (1) year from the date of purchase. Returned product must be in original packaging, unused, undamaged and in saleable condition. Proof of purchase is required. Grainger will either replace the product or issue a credit for the purchase price.

  Grainger Canadian Exchange and Return Policy: Any cancellation or return must be approved by Acklands-Grainger (at its discretion), be accompanied by proof of purchase, and may be subject to restocking or other charges. Any returns due to shipping errors, damage or loss must be reported to Acklands-Grainger immediately. For returns not related to damage or loss during shipping, product must be returned within 30 days of shipment and be in original package and re-saleable condition. Returns can be made to Acklands-Grainger; however, Acklands-Grainger will only accept returns on products purchased through Acklands-Grainger. Returns of custom sourced products may not be permitted.

6) Describe any service contract options for the items included in your proposal ("on call", retainer, etc.).

   In addition to our product line offering, Grainger North America offers select service contracts either directly or via our supplier/manufacturer network, in support of our product offering. Grainger North America will work with Members to review and assess which service opportunity is best suited to satisfy the Member's operational needs.

Pricing, Delivery, Audits, and Administrative Fee

7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

   Grainger's proposal encompasses its entire catalog of 1.7 million MRO products and services and the expertise of Grainger employees. It captures the routine to specialized MRO product or service; it is supplemented by sourcing proficiency. Products categories include: material handling equipment, safety and security supplies, lighting and electrical products, power and hand tools, HVAC equipment, garden tools and equipment, pumps and plumbing supplies, cleaning and maintenance supplies, metalworking tools and the remainder of Grainger's catalog offering.

   Services include inventory management solutions, installation, assembly, consulting services and other relevant offerings. The offering evolves continually to meet changing customer requirements. Our technical expertise assists agency operations and compliance responsibilities. Grainger's proposal is as much in providing quality MRO product and services as being a meaningful resource to drive agency productivity. We will assist members in the large and small emergency incident, where our pricing remains as provided in our contract..

8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

   Grainger North America's pricing model for Sourcewell Members is robust and multi-faceted, offering numerous cost savings opportunities:

   - **Category Discounts**
   - **North American Market Basket**
   - **Member Market Basket**
   - **General Catalog Discounts**
   - **Large Order And Volume Discounts**
   - **Customer Specific Pricing (CSP)**

Category Discounts: Our North American offer encompasses significant discounting across 21 MRO categories. These category discounts are applied to Grainger North America's Contract Reference Price (CRP). Introduced in 2017, CRP is the new product pricing basis for contract customers. CRP is market-based and lower than our historic List Price and thus makes more products attractively priced and simplifies the purchasing process. CRP is stable and only subject to change three times per year. Because CRP is lower than Grainger North America's prior List Price, contract category discounts are also lower. It is therefore important to compare the "final" product prices, as a larger discount percentage offered by a competitor may not yield a lower final product price.

For Sourcewell Members, CRP is found on Grainger.com and Acklands-Grainger.com when Members log into their account. The CRP at the time of purchase will be the price to which any contract discounts will be applied. The offered category discounts are fixed through the life of the contract across 21 MRO categories.

Grainger North America Proposed MRO Category Discounts:

Sourcewell MRO Categories (US & Canada)	CRP Discount
Air Filters	40%
Batteries	19%
Cleaning Equipment & Supplies	22%
Electrical Supplies	23%
Fasteners	30%
HVAC Supplies	17%
Lab Supplies	15%
Lighting/Lamps/Ballast	22%
Lubricants, Adhesives, Sealants & Tape	10%
Material Handling, Storage & Packaging	15%
Measuring Tools & Test Instruments	6%
Motors & Power Transmission	19%
Outdoor Equipment	12%
Paint	10%
Plumbing	20%
Pumps & Pneumatics	6%
Safety	19%
Security	15%
Hand Tools	14%
Power Tools	11%
Welding, Machining & Cutting	10%

North American Market Basket: Grainger North America, through decades of serving government customers, has captured purchasing data reflecting current and relevant product needs to compile its Market Basket offer. Grainger North America presents the attached North American Market Basket to all US and Canada Sourcewell Members. The offer is comprised of the highest volume and most frequently purchased products by a broad mix of government agencies.

Grainger North America analyzed usage and procurement data from its largest states, provinces, education and non-profit customers from across North America and combined it with all Sourcewell Member prior 12 month purchasing analytics. Data points such as the number of times an item was purchased, when and how often, how

many individual agencies purchased the item, including those items added into an inventory management solution, were scrutinized to prepare the Market Basket.

The North American Market Basket pricing is aggressive and will be held firm for 12 months.

Additionally, product identified in our proposed Market Basket represents an intentional effort to include a significant number of items identified as:

- Sustainable and Green Certified
- Grainger Choice or "house brand" lower cost substitutes
- Safety focused products

To keep the Market Basket meaningful throughout the life of this contract, Grainger North America will evaluate the product selection and update it each year to ensure relevant product selections.

Member Market Baskets: In addition to the Grainer North America Market Basket, we offer the ability for each Member to create a custom market basket of up to 250 items. To drive additional cost savings while enhancing procurement stability, Members can select a custom market basket consisting of products the individual Member most frequently procures. The Grainger North America Sales team will work with Member's seeking to consolidate, standardize and to identify a product list and price.

General Catalog Discounting: Grainger recognizes the operational importance to provide members access to MRO items that fall outside the market basket which may not be aligned to a category. **North America Grainger provides a 5% discount off of CRP on products that fall outside market baskets and defined category discounts.**

Large Order and Volume Discounts: Grainger has years of experience working with Sourcewell Members on individual projects and discounted pricing. Grainger North America will continue to work with Sourcewell Members to leverage additional discounts for large, single orders, based on size and scope.

Customer Specific Pricing (CSP): Grainger North America recognizes the importance of providing Members with relevant pricing for specific products in special circumstances. Deeper discounted pricing can be sought in the form of Customer Specific Pricing (CSP) as it relates to specific opportunities.

Grainger North America reserves the right to adjust pricing to reflect market conditions, as provided in Section 11 (Sourcewell's Vendor Price & Product Change Form, referenced in RFP #121218). These adjustments may include unforeseen significant increases in supplier's costs resulting from changes in laws or regulations, impositions of tariffs, currency fluctuations, increases in commodity prices, or other changes in conditions not reasonably foreseeable to Grainger North America.

9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

The discount range in this offer **represents 5% - 60% off Grainger North America's CRP** resulting from 21 MRO category discounts noted above in question 8, the general catalog discount, and the deep discounts applied to the market basket prices.

10) The pricing offered in this proposal is

_____a. the same as the Proposer typically offers to an individual municipality, university, or school district.

___√___b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

_____ c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

_____d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer.

Sourcewell Incentive Program

Sourcewell Formerly NJPA | GRAINGER

Sourcewell Incentive Program: Grainger North America proposes a **3% increased discount**♦ on each of the defined 21 MRO categories for the following contract year for members who:

- Purchase at least $25,000.00 in Total Member Purchases♦ during the Contract Year ***AND***
- Grows Total Member Purchases at least 12% over the preceding Contract Year

Sourcewell MRO Categories (US & Canada)	Current CRP Discount	Sourcewell Incentive Program CRP Discount
Air Filters	40%	43%
Batteries	19%	22%
Cleaning Equipment & Supplies	22%	25%
Electrical Supplies	23%	26%
Fasteners	30%	33%
HVAC Supplies	17%	20%
Lab Supplies	15%	18%
Lighting/Lamps/Ballast	22%	25%
Lubricants, Adhesives, Sealants & Tape	10%	13%
Material Handling, Storage & Packaging	15%	18%
Measuring Tools & Test Instruments	6%	9%
Motors & Power Transmission	19%	22%
Outdoor Equipment	12%	15%
Paint	10%	13%
Plumbing	20%	23%
Pumps & Pneumatics	6%	9%
Safety	19%	22%
Security	15%	18%
Hand Tools	14%	17%
Power Tools	11%	14%
Welding, Machining & Cutting	10%	13%

Sourcewell Incentive Program Example:

Prior Year Contract Purchases:
$80,000.00

Current Year Contract Purchases:
$93,000.00

✓ Total purchases **more than $25,000.00**
✓ Member **purchases increased at least 12% over previous year** ($13,000.00 over prior year = 16% growth)

Incentive Earned – category discounts increase 3% for the next Contract Year.

Sourcewell Plus Program: Grainger North America may propose a Sourcewell Plus Program and creation of a custom incentive and rebate program, defined through a participating addendum and approved by Sourcewell.

♦ ***"Total Member Purchases"*** *refers to the net invoice price of the Product purchased by Member under the Sourcewell Agreements, less freight, taxes, returned Products and credits during each contract year for which a*

Rebate or Incentive is being actively calculated and paid. Purchases made through Grainger's Distributor Alliance Program vendors aligned to Member's account and receiving Sourcewell Agreement pricing will also be included in Total Purchases.

♦*The increase in Category Discount will be automatically applied to all 21 defined MRO Grainger North America categories (excluding the general catalog discount), commencing 60 days after contract period ends for a duration of 12 months. For those Sourcewell Members with no prior purchase history with North America Grainger, the cost savings incentive will be offered upon the achievement of at least $25,000.00 in Qualifying Purchases during the applicable Contract Year.*

12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Grainger North America's Sourcing Team procures facilities maintenance products and services beyond the Grainger catalog. With access to more than 5 million products and more than 15,000 suppliers, this team provides a total cost solution for acquiring infrequent and low demand items. Grainger North America has business relationships with manufacturers critical to Member operations.

13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

Grainger North America includes all costs associated with product and product related services purchased by our customers in our pricing submittal. Our pricing is transparent. The price quoted or invoiced is the total cost of acquisition for the product and/or product related service to be paid by the customer.

14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

Grainger North America offers the Sourcewell Member pre-paid freight on standard ground shipments. Title transfers to Sourcewell Members at time of delivery, FOB Destination. Other terms and fees may apply for shipment of export orders and orders placed for Sourced Products. Charges and fees incurred for additional services, such as expedited delivery, carrier or special handling by the carrier, air freight, freight collect, export orders, hazardous materials, customer's carrier, shipments originating within the U.S. and shipping outside the contiguous U.S.; shipments originating in Canada and shipping outside Canada, will be paid by Member. There are no additional charges for travel.

15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Grainger North America offers the Sourcewell Member pre-paid freight on all standard ground shipments originating in Canada and shipping in Canada. Alaska and Hawaii also receive pre-paid freight on standard ground shipments. Sourced products may have other terms or fees that apply for shipment of product in Canada, Alaska and Hawaii, as well as export orders. Charges and fees incurred for additional services, such as expedited delivery, carrier or special handling by the carrier, air freight, freight collect, export orders, hazardous materials, customer's carrier, or other special handling by the carrier, will be paid by Member.

16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

Grainger North America's advanced technology and multiple distribution channels delivers product to Members where and when they need it. The unique combination of broad on-hand inventory strategically located across North America in distribution centers and branches provides unrivaled product availability:

- **On-hand Inventory** $1.5 billion and more than 1.7M products

- **Technology Investment and Supply Chain Expertise** that forecasts Member needs to ensure product availability by locating inventory near the Member throughout the distribution network
- Product ordered by 4PM, **95% of customers receive next day**

Grainger North America provides the best combination of product selection, depth of inventory locally available, speed of delivery and ordering simplicity through a **network of 280 branches and 17 distribution centers** across North America. Throughout Grainger's network, we carry **over $1.5 billion in inventory on hand every day** provided by over 7,600 Grainger North America supplier and manufacturer agreements.

99.6% of in-stock products ship within 24 hours from Grainger's North American network of distribution centers.

Inventory Management

A critical facet of distribution and delivery is anticipating and understanding Member needs. Inventory Management is a unique delivery solution moving high usage items close to point of use and maintaining critical product availability. Through its KeepStock® Program, Grainger North America provides multiple inventory management solutions reducing Member's total cost of inventory ownership. Effective inventory management reduces on-hand inventory, improves purchasing efficiencies, and ensures availability of critical product all while providing secure and efficient access.

Grainger North America's KeepStock® portfolio of inventory management solutions help Members manage their inventory and reduce costs. Beyond industry-standard vending machines, Grainger North America's portfolio provides both customer-managed (CMI) and Grainger vendor-managed (VMI) inventory options, including vending. Solutions range from simple to complex serving Member needs and can be combined within their facility to provide a custom service. KeepStock® can be integrated with Member purchasing systems or connected with Grainger.com. or Acklands-Grainger.com.

◄Vendor Managed Inventory (VMI) Solutions

KeepStock® Vending: Grainger offers a variety of KeepStock® Secure vending machines to include Coil, Carousel, Lockers, Cabinets and Drawers. Each machine is customized and configured for Member needs and supplies requirement:

Grainger Keepstock Secure Vending Machines				
COIL	**CAROUSEL**	**LOCKER**	**CABINET**	**DRAWER**
• High security • Easy-to-use familiar style • Dispense up to 60 unique items • Dependable dispensing	• High security • Accommodates products of varying sizes • Check-out/check-in option • Dispense up to 560 unique items	• High to medium security • Check-out/check-in capability • Good for consumables and durables • Adjustable to accommodate larger items	• Medium security • Single door/shelf access • Requires little to no product repackaging • Flexible shelf configurations to accommodate items of various sizes	• Medium security • Controllable drawer access • Assemble tools by use for easy access • Various drawer configurations to accommodate items of different sizes

KeepStock® Onsite: This solution offers inventory support from a Grainger Inventory Management Specialist. This resource helps Members identify inventory needing replenishment through defined minimum/maximum inventory levels and can assist with inventory restocking. The onsite resource may assist with invoice inquiries, product returns and expediting orders.

KeepStock® Store: This solution provides a fully stocked and staffed Grainger North America branch at your location especially helpful for high-volume, high-traffic needs. Grainger North America will work with the Member to determine which items to stock and overall scope of the solution.

◄Customer-Managed Inventory (CMI) Solutions

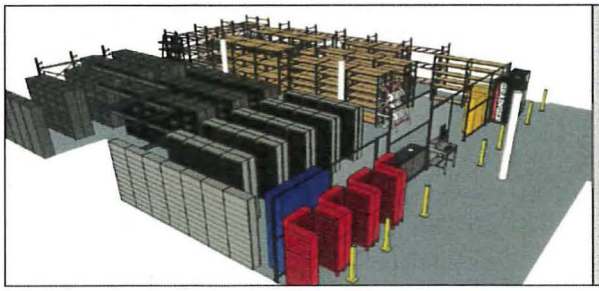
Customer-Managed Inventory (CMI) solutions let Members manage their own inventory via Grainger North America technology. KeepStock® CMI is a web-based tool that provides flexibility to manage inventory **to support your specific operations** along with seamless functionality across multiple devices. It is an easy-to-use yet very powerful software solution providing visibility, flexibility and control while managing products across different inventory locations. ***Grainger offers this program for no additional charge to any Member who is interested in self-managing inventory.***

◄Additional KeepStock® Services

KeepStock® Organize: As part of the KeepStock® portfolio, Grainger North America offers this service which focuses on inventory organization and consists of three (3) fee-based parts or phases which can be deployed together or independently.

1. **KeepStock® Layout**: Comprehensive inventory management planning, virtual layout configuration, and project planning.
2. **KeepStock® Cleanup**: This service includes labor for teardown of current storage fixtures, repositioning retained fixtures, construction of new fixtures, product movement and product positioning.
3. **KeepStock® Content**: By capturing current inventory items and their attribute elements, this service uploads data into a materials management system and may include ongoing database management.

KeepStock® Organize Layout



- Inventory deployment and storage fixture plan
- Space utilization and process flow changes
- Bin location schema and signage plan
- Optimized inventory levels leveraging Grainger logistics
- Establish optimized stocking model
- Area transition, deployment plan and materials list

Managed MRO Solutions: Grainger's Managed MRO Solution provides Members with daily onsite, expert, support services to maximize the value of Member's entire MRO inventory investment for **both Grainger and non-Grainger product.** Managed MRO is a **fee-based** service where our Inventory Specialists work at your facility to manage all indirect materials.

◄Emergency Response Inventory and Distribution

A critical element of Grainger North America's distribution capability is assisting emergency response for the small and large incident. Expeditious and quality response in real time entails internal planning and preparation. In an emergency, Grainger North America's Crisis Management Team first assesses the condition of Grainger branches and facilities to make sure they are available to distribute product. Frequently a pre-determined product list, coordinated with local emergency response agencies, is used to move supplies to the affected area. If additional products are required, Grainger North America moves products to the area from its 280 branch network and 17 regional Distribution Centers or directly from product suppliers.

A critical element in Grainger North America's expeditious response is its breadth of inventory, relationship with suppliers, capability to determine where inventory is located, and its transportation proficiency, personnel with expertise and experience and long term relationships with state, local and federal agencies.

In severe emergency situations, Grainger works with First Responders to make sure they have priority access whether from Grainger or the product manufacturers. The Crisis Management Team and Grainger on-scene leadership works with emergency management agencies and others to ensure appropriate and fair distribution.

Presented below is a summary of Grainger's recent emergency assistance:

- **California Camp & Other Fires** | October-November 2018 and October 2017: The Grainger corporate response team activated daily briefings and updates to maintain situational awareness and work collaboratively with all emergency response agencies, public and private. Throughout the Camp and other fires, Grainger provided a consolidated source for critical supplies required to keep facilities, fire crews and shelters operating. Requirements included carbon filters, air purifiers, N95 respirator masks, gloves, cots, tents, cleaning supplies and more. Affected areas were served via same day deliveries from Grainger's Patterson, CA distribution center. Grainger's transportation team assisted with expedited deliveries to emergency staging areas and shelters. Grainger field representatives were present or remained on alert status 24 hours a day over a 2 week period to support agency needs. Grainger's supply chain team monitored demand and directed product to Northern California from Grainger distribution centers and direct from its manufacturers and suppliers. Grainger teams were committed from initial support throughout response into recovery and cleanup, support is continuing.

- **Hurricane Michael Florida Panhandle and Surrounding Areas** | October 2018**:** Grainger's corporate response team was activated prior to the Category 4 hurricane making landfall near Mexico Beach Florida

on October 10, 2018. Product was positioned and trailers readied. Grainger employees and resources made way to the areas beginning the weekend of October 6 to assist State of Florida and all private/public entities with preparation. Grainger employees were present at the State of Florida Emergency Operations Center (EOC) in Tallahassee and local government EOC's throughout the hurricane and recovery. With several thousand residents' homes damaged or destroyed, shelters were made available. Grainger met daily needs for water, MREs, cots, blankets, toiletries, first aid equipment, medicine, sanitary and other shelter items. Grainger expedited distribution of chainsaws, insect repellant, generators, sand bags, gas cans, and related supplies. First responders throughout the area used Grainger for supplies including flashlights, batteries, reflective vests, signs, shovels, water, personal protective equipment, generators and sanitary equipment. Product was redirected from other Grainger facilities and its manufacturers and suppliers to the Florida Panhandle.

- **Hurricane Harvey, Texas** | August-2017: Supply chain teams repositioned critical supplies within the Grainger distribution network. Grainger's Dallas, TX Distribution Center, coordinated distribution throughout response and recovery operations. Grainger transportation managers expedited deliveries in coordination with state, county and local emergency offices. Grainger supplied ten truckloads of MRE's and several truckloads of bottled water to City of Houston and Harris County facilities to support evacuation shelters. Grainger also supported evacuation shelter operations in Dallas, Austin, San Antonio and other jurisdictions. Hundreds of cots, blankets, sheets, sanitary and other supplies were delivered. Grainger supplied several incident command centers with cones, barriers, canopies and other supplies. Working with the Texas Department of Public Safety and the Department of Emergency Management, Grainger delivered water rescue suits, hard hats, gloves, respirator masks. Grainger supplied the Texas Department of Transportation items including waders, rain boots, insect repellent, nets, respirators, and rain suits. Other items prioritized for first-responders included thousands of generators, electric cords, fuses, emergency lighting solutions and personal protective equipment. Product was redirected from other Grainger facilities and its manufacturers and suppliers to affected areas throughout Texas.

- **Hurricane Matthew, Eastern North Carolina** | October 2016: Grainger branches located in storm affected areas implemented disaster response plans to support federal, state and local government disaster recovery operations. A core team of Grainger professionals led by senior leadership were deployed throughout the area during the storm and afterwards to meet emergency order requirements. Grainger's Jacksonville and Greenville Distribution Centers directed additional trailers containing critical response and recovery product. Product was redirected from other Grainger facilities and its manufacturers and suppliers to Eastern North Carolina.

- **Canadian Fires** | Spring 2016: Acklands-Grainger team members faced down an unprecedented disaster in Fort McMurray. Acklands-Grainger took care of its people, its community and its customers. Follow the link to view and hear the story of how a dedicated team overcame adversity with the support of colleagues from across Canada - http://aginet.agi.ca/agb/Lists/Posts/Post.aspx?List=bbda5707-70c9-4d34-8c90-518fb5807c54&ID=69&Source=http%3A%2F%2Faginet%2Eagi%2Eca%2Fagb%2FLists%2FPosts%2FAllPosts%2Easpx%3FInitialTabId%3DRibbon%252EListItem%26VisibilityContext%3DWSSTabPersistence&Web=f

17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

Grainger North America takes contract compliance very seriously. Understanding the processes and related system functionality required to operationalize the terms of the contract is crucial to fully adhering and complying with all contractual provisions. Grainger North America knows this well and is experienced in ensuring its processes and systems are designed to drive contract compliance, including pricing compliance and administrative fee payments.

Grainger North America's approach includes people, processes and systems. The starting point is the Member's account number to which pricing is linked. Pricing is linked at the inception of the Sourcewell contract for previously aligned Sourcewell Members and for any new Member requesting to participate on the Sourcewell contract. We do much more to ensure that accurate contract pricing is continually delivered to Sourcewell Members. Monthly pricing reviews are performed ensuring each Sourcewell Member receives valid contract pricing. If there are any inconsistencies, we ensure adjustments are made and the Member is credited.

As a result of the pricing review and that adjustments are immediate, we provide monthly reporting and administrative payments due to Sourcewell.

18) Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

Grainger will provide Sourcewell with a Direct Sales Administrative Fee ("DSAF") of Two Percent (2%) on all Product Purchases, including Member's Distributor Alliance Program purchases, pursuant to an awarded contract. Qualifying purchases are those purchases made directly by an Sourcewell Member from Grainger pursuant to the awarded contract and shall include total net invoice price less freight, taxes, returned products and credits. Grainger will calculate the DSAF amount quarterly and provide the DSAF payment to Sourcewell within forty-five (45) days from the end of the quarter. Grainger will provide a quarterly DSAF report to Sourcewell within forty-five (45) days from the end of the quarter.

Industry-Specific Questions

19) How would being awarded a Sourcewell contract allow you to better and more efficiently serve the government, education and non-profit segments?

Sourcewell's relationship with Members and credibility across the public sector and non-profit community is vital to our work. Grainger North America values its history with Sourcewell; a contract award will allow us to implement further what we have learned.

Grainger North America's foundation is serving customers who comprehend the costs of acquisition and must meet the challenges of saving time and money. MRO stands out as an example where transaction costs, and the expense associated with maintaining inventory, quickly overtakes product cost. Our offer is driven by reducing these costs via competitive product and service pricing, just-in-time inventory and adherence to public agency compliance standards.

Our proposal, the most competitive to date, encompasses the breadth of the US and Canada catalogs, the actual inventory in distribution centers and branches and supply chain capability ensuring that products are delivered where and when needed. Our Sourcewell investment includes North America Grainger Team members that assist members find the right MRO products or services quickly. It is enhanced by sustainable products and meaningful opportunities for small businesses. North America Grainger's continuing investment in e-Commerce digital solutions and most significantly Grainger team members, make sure we remain relevant to Sourcewell members in 5 years. Our commitment is to exceed Sourcewell member expectations.

20) Describe the added value your company would provide to government, education and non-profit customers through a Sourcewell-awarded contract.

Grainger North America's value added attributes flow from its core commitment to a competitive, innovative, relevant and compliance focused offer to every customer, small, medium and large. It commences with

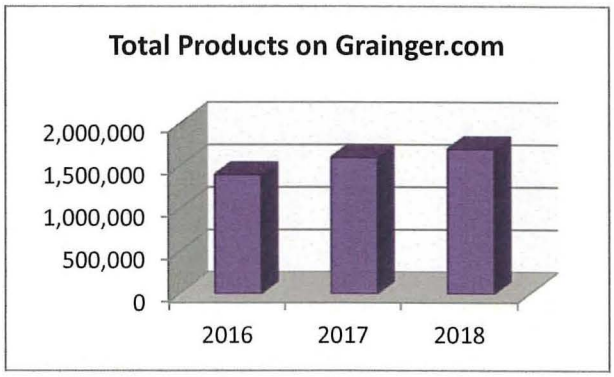
understanding the challenges each government agency faces and the critical responsibilities of public servants. We integrate competitive pricing with outstanding service of the industry's broadest MRO offering. Our value added attributes are driven by the expertise of our sales team and technical advisors and Grainger's evolving technology and supply chain logistics to ensure that products are available and delivered when needed.

Commitment to Understanding Public Agencies & Institutions

Grainger North America's leadership in e-Commerce and digital solutions deliver efficiencies to an agency's daily operations while maintaining compliance standards. As detailed throughout, the offering encompasses sustainable products and affords meaningful opportunities for small business. We are a dedicated partner delivering the quickest response and reliability in all emergencies, small and large. Our added values are vibrant and flexible to resonate throughout the next five years.

21) Describe any new products and services added to your portfolio within the past 18 months.

Grainger North America continually evaluates **products and services** to ensure that our offer is current and relevant. We add products and suppliers on a daily basis. During the **past 18 months we have added 312,674 products in top US categories** such as safety, hardware, electrical, and cleaning. We emphasize products and services that deliver innovation and improve efficiency for our customers.



Grainger North America continues to expand our service offerings in areas such as inventory management, energy utilization, facility maintenance, safety training and assessments, turnkey furniture installation, product sourcing, online resources and accredited calibration services to compliment the depth of our product offering.

22) Please describe any product training, consulting or instruction that you offer, including the programs, the related costs and the benefits?

As we noted in Form A, question 27, Grainger offers extensive product training, consulting and instruction and programs which we reiterate below. These expansive solutions, fee and non-fee based, apply to both industry specific and value-add categories and deliver numerous benefits.

Grainger will assist Members in working with manufacturers, suppliers and third party installers, as to product, equipment, maintenance and related training programs. These programs include manufacturer-certified set up, product installation, post-installation services and maintenance services. Provided below is Grainger's current core list of value added fee and non-fee MRO related solutions. Not all services may be available in Canada. Services provided by third-party providers may be subject to a fee agreement between Grainger and the provider.

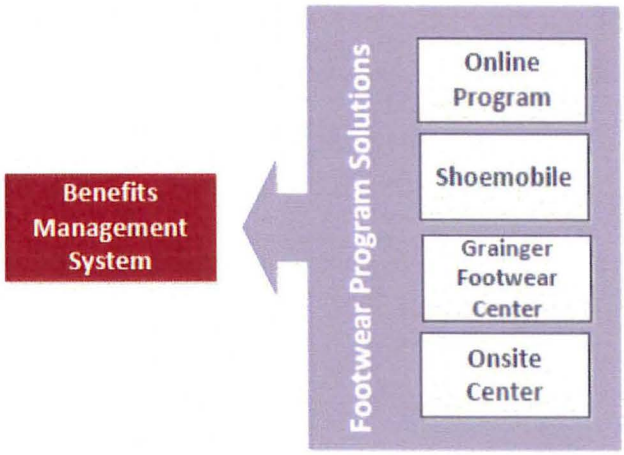
Grainger's offerings of value added support services of products or equipment include:

- Grainger's network of installers provides turnkey and/or labor-only fixed fee installation and support services.
- Turnkey service offerings include materials, labor, recycling, rebate administration and tax deduction documentation, if applicable.
- Currently Grainger has identified 65 companies that have satisfied our vetting process. All companies used by Grainger are licensed, insured, qualified and capable of performing in accordance with Member service requirements.

Safety Services

Assessments	Training	Compliance & Testing	Program & Procedure Development
Assessments - Specific areas are assessed across the worksite in order to identify potential hazards or high-risk areas that may require further actions be taken to remedy. • AED Inspection • Arc Flash/Electrical Safety • Confined Space • Crane/Hoist/Sling • Emergency Eye Wash • Ergonomics • Fire Extinguisher • Firestop: Barrier • Damper & Door • Footwear • Job Hazard Analysis • Lockout/Tagout • Machine Guarding • Noise Survey	**Training** - We offer a wide range of EHS training courses your employees need to help them effectively perform their jobs safely. Training offerings are available through an online experience or through an on-site instructor. • AED Inspection • Active Shooter • Aerial Lift • Competent Person • Confined Space • Fire Extinguisher • First Aid/CPR/AED • Forklift • Lockout/Tagout • Machine Guarding • NFPA 70E • Respirator	**Compliance & Testing** - Audits or tests are conducted for identification and/or to monitor hazardous work areas so that controls and safe work practices can be implemented. • Asbestos • Audiometric Testing • Indoor Air Quality • Industrial Hygiene Sampling • Fit testing • Noise Surveys • Pulmonary Function Testing • Sampling • Silica Testing	**Program & Procedure Development** - Effective programs and procedures help ensure compliance and create a safe workplace for your employees. These programs are developed so that your business operations can be conducted safely, and are provided through online templates or custom on-site development. • Arc Flash/Electrical Safety • Confined Space • Emergency Action Plans • Environmental Safety Hazards • Food Safety • Inspection and Asset Management • Footwear/Benefit Management • Lockout/Tagout • Machine Guarding • Medical First Aid • Online Safety Manager • SDS Management

Grainger's Managed Footwear Program allows employees to order shoes through four different methods.



5. **Online Safety Footwear Program:** Administer footwear programs and purchase online with our easy to use web interface programs
6. **Shoemobile:** Grainger US Shoemobiles drive to your facility to service employee footwear needs, display over 100 footwear styles and stock 2,000 pairs to allow your employees to receive shoes during a visit.
7. **Grainger Footwear Centers:** Select Grainger branch locations across the US stock the latest footwear comfort technologies.
8. **Onsite Safety Footwear Center:** Company-approved inventory and displays located within Member US facilities make it convenient for your employees to purchase safety footwear.

Benefit Management System (BMS): Grainger's BMS tracks Member purchases to provide customized reporting and tracking for Members engaged in a company/entity footwear program, including reporting and invoicing to meet the unique needs of each Member.

Prescription Eyewear Solution - Hoya's SRx Made Easy provides a simple process for US Members to purchase prescription safety eyewear through a national network of independent eye care professionals.

Online Safety Manager

The Grainger Online Safety Manager system makes it easier than ever to manage critical workplace safety programs from your location. This online solution gives Members instant access to a set of comprehensive safety management tools and resources.

- **Save** time, money and create a safer workplace!
- **Reduce** injuries, accidents and exposure to fines
- **Manage** risk, compliance, documents and SDSs from your PC
- **Ensure** regulatory compliance and drive standardization
- **Support** your transition to GHS (Globally Harmonized System)
- Track training and results, customize curriculum
- Access to Specialized Training for OSHA, NEPA, HAZWOPER and DOT
- Management of incident and Inspections, schedule safety checks, audits and track root cause analysis
- Instant Access to Safety Data Sheets, GHS label printing
- Occupational Health instantaneous interpretation of PFT results, questionnaire for employee clearance for respirator

Safety In-Field Specialist

Grainger's Field Safety Specialists bring education, experience and expertise to help Members address a wide range of safety and health questions and issues assisting with injury reduction, compliance improvement, risk assessment, understand goals and align best-in-class solutions. Grainger North America has the depth and structure to deploy, support and track agency-wide initiatives.

Our teams' Primary accreditations conferred by the Board of Certified Safety Professionals include:

- Certified Safety Professional (CSP)
- Associate Safety Professional (ASP)
- Safety Trained Supervisor (STS)

Secondary affiliations and designations include:

- Qualified Safety Sales Professional Certification (QSSP, conferred by the International Safety Equipment Association (ISEA))
- Hazard Analysis & Critical Control Points (HACCP, Food Safety Certification)
- OSHA-30 hour and OSHA-10 hour
- OSHA 500 and 501 (General Industry and Construction Industry Trainers)
- Numerous Supplier and Manufacturer Training

Grainger Online Safety Training:

Sourcewell customers will have no-charge access to various Grainger resources such as our "On the Job Webinar Series" that relate to work environment topics.

Grainger's "On the Job Webinar Series" addresses work environment issues such as:

- Safety
- OSHA Regulations
- Productivity
- Procurement & Inventory Management
- Green Solutions
- Emergency Preparedness

◄Energy Services

The Grainger North America Energy Services team can identify and implement a wide range of efficient solutions for your agency through its network of qualified, insured and licensed service providers. Our service providers help facilitate the installation of energy-saving and water conservation measures. We help Members secure applicable incentives and rebates for energy and water-saving projects. Grainger North America offers Environmentally Preferred Product (EPP) training in collaboration with our key supplier partners.

Potential Benefits:	Comprehensive Services*:
• Improved use of energy and water • Reduced operating costs • Upgraded infrastructure • Warranties on new equipment • Lowered operational risk • Avoided maintenance expenses • Reduced facility carbon footprint	• Multiple energy- and water-saving solutions • Audit and financial analysis • Material, contractor and project management • Installation by qualified, insured and licensed service partners • Disposal and recycling

Provided by third party service providers and subject to Member eligibility.

- Lighting Projects
- HVAC Projects
- Motor and Pump Projects
- Compressed Air System Studies and Upgrade Projects
- Dust Collection System Studies and Upgrade Projects
- Electric Vehicle Charging Station Projects
- Steam Trap System Studies and Upgrade Projects
- Water Conservation Upgrade Projects

◀Facility Services

Grainger North America has a range of services to provide Members with assistance as to roofing, skill training, electrical and protecting interior services. A summary of our 3rd party relationships follows:

- **Electrical Services**: Electrical system consultations are offered to determine the degree of present arc flash hazards and apply equipment labeling. Studies include maintenance of electrical distribution system components and mitigation solutions to lower arc flash energy or exposure.
- **Technician Skill Training Services**: Members receive safety and industrial skills development to apply on the job immediately. Training can be scheduled on-site at Member locations or off-site at scheduled locations across North America. Topics such as compliance, electrical, HVAC, and mechanical are addressed.
- **Roofing Services**: Roofing and building maintenance solutions designed to prolong structural life, track roof assets, save energy and improve safety.
  - ✓ Patch & Repair Services
  - ✓ Roofing Restoration
  - ✓ Rooftop Safety Installation
  - ✓ Roof Cleaning
  - ✓ Inspection Services
  - ✓ Preventative Maintenance Contracts
  - ✓ Air Barrier Audits
- **Indoor Coating Services:** A comprehensive portfolio of solutions is offered for preparing, priming, coating and protecting interior surfaces.

◀Consulting

Grainger North America's Consulting Services teams analyze Member operations to increase efficiencies and lower cost associated with acquisition of MRO products and inventory management. **Based on our experience, most Members have the opportunity to take as much as 25% or more out of their costs.**

This evaluation employs a strategic framework of identified cost drivers to benchmark and provide ideal and cost effective solutions. This framework of cost drivers focuses on:

- **Process:** Grainger North America consultants can help redesign purchasing and inventory management processes to reduce complexity and cycle time while improving service levels. We offer solutions to streamline the purchasing process and automate inventory replenishment for enhanced productivity.
- **Inventory:** Inventory is a critical, expensive component of a Member's maintenance operation. Consultants provide expertise to optimize inventory levels. We work with Member resources to understand inventory demand and supply requirements, identify obsolete stock, recommend proper on-hand inventory levels and set effective reorder points for MRO items.
- **Supplier / Product:** Consultants segment, classify and analyze supplier/product usage to identify opportunities for greater leverage and incremental value.
- **Technology:** Effectively integrating electronic solutions into the MRO procurement strategies is key to enable long-term success and cost savings. Our Consultants develop strategies and implementation plans to get the most out of your electronic solutions.

◀Technical Support

Grainger provides direct technical support from knowledgeable field personnel and manufacturers' field representatives. Grainger has an in-house Technical Product Support Department whose members average 28 years of experience to answer product questions across all categories. Approximately 5,800 times a day, 102 technically trained product specialists answer questions regarding product selection, application assistance, troubleshooting, installation, product specifications, performance data/wiring diagram, and government requirements and agency approvals.

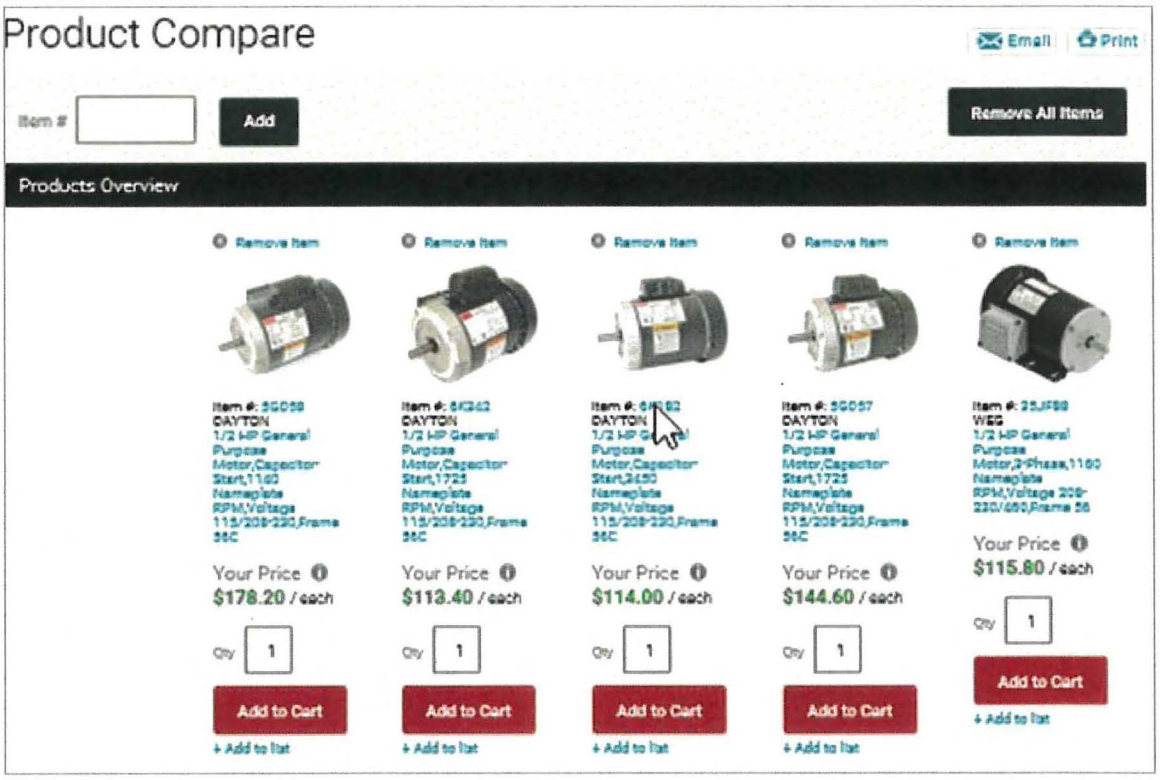
Technical Training: Grainger North America works with our General Catalog manufacturers and suppliers to align training programs with Member needs. Examples include:

- Proto Tools Hand Tool Safety Seminar
- Dewalt Power Tools
- Fire-Resistant Workwear Training
- Fall Protection Training
- Hearing Protection & Conservation Training
- Gas Detection Equipment Training
- Arc Flash Awareness Seminar
- Fuses & Power Distribution Training
- Spill Containment Training
- Climbing Pro Ladder Training

23) Do you have an on-line purchasing portal? If so, please describe your online ordering process, purchase approvals/tracking, payment options, reporting and monitoring (For example, can a member track spending by staff members, can a member put limits on purchases, can a member be invoiced, etc.)

Yes, Grainger North America has an on-line purchasing portal. Grainger North America's web-based ordering system is the largest e-Retailer in the MRO industry with the most comprehensive website platform with user-friendly, customer focused, flexible web portals, mobile apps and eProcurement offerings in the industry. The solutions deliver "Easy to Find", "Easy to Use" and "Easy to Connect" procurement solutions that help Sourcewell members save time and money.

Grainger.com and AcklandsGrainger.com effectively guide Members to the products they want with dynamic search and compare capabilities, multiple shipping destinations stored, approval and workflow systems, and fast and easy check-out. Our online offerings allow users to easily search for the product(s) they need, filter search results in numerous ways and then quickly checkout utilizing default shipping and checkout options.



Approvals and Budgeting (Budgeting – Grainger US only currently)

Grainger's Order Management System (OMS) on Grainger.com, allows Sourcewell Members to manage spend through spend limits, order approvals and budgets. Grainger has a support team in place to help create user IDs and building the approval workflows. The OMS system allows an administrator to configure spend limits and/or approval limits per user and establish a default approver for each user.

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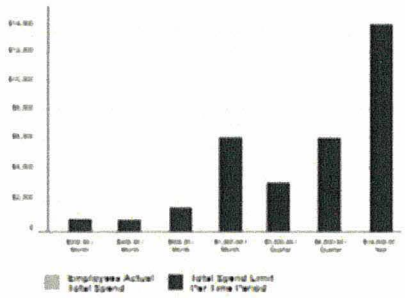
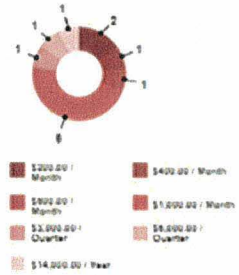
SPEND LIMIT PER TIME PERIOD REPORT (ALL EMPLOYEES ON ACCOUNT)

REPORT TYPE Transactional
TIMEFRAME 03 / 01 / 2018 - 04 / 01 / 2018
RUN DATE 04 / 02 / 2018 | 3:30PM CST
REQUESTED BY Jonathan Smith Wolensky

EMPLOYEES ACTUAL TOTAL SPEND VS TOTAL SPEND LIMIT PER TIME PERIOD



NUMBER OF EMPLOYEES ON SPEND LIMIT PER TIME PERIOD



TOTAL SPEND LIMIT PER TIME PERIOD **$30,400.00**

$0.00 Spent — $30,400.00 Remaining

MY SPEND LIMIT (4/1/2018 - 5/1/2018) **$1,000.00 / Month**

$0.00 Spent — $1,000.00 Remaining

NAME	ROLE	LOCATION	SPEND LIMIT PER TIME PERIOD	TOTAL AMOUNT SPENT TO	ORDERS PLACED TO DATE	ITEM APPROVAL	APPROVAL LIMIT	APPROVERS
Arnold, Mannie	Standard (Limited Rights)	New York, NY	$200.00 / Month	$0	--	Does not require item approval	No approval rights	Smith Wolensky, Jonathan
Ashland, Daniel	Standard (Limited Rights)	Patterson, NJ	$400.00 / Month	$0	--	Does not require item approval	No approval rights	Any approver

System Administrators will have access to reporting from the OMS Dashboard and from the Order History page. Actual spend per employee, number of employees on spend limit per time period, total spend limit for the time period can all be viewed.

Payment Options

Grainger provides several payment options within the online buying experience. Users can add credit card options, purchase on account, or select to pay upon pickup at the local branch. Grainger US solution provides an opportunity to set default payment options.

Order History Reporting and Download Feature

Grainger North America's self-serve site allows users to view all orders placed as well as order status, delivery times, logs for approval, workflow actions taken, and to download invoices if copies are required. Buyers can use the tool for easy re-ordering of previously purchased items and payment of invoices.

Users, who have Administrator access, have the ability to download a configurable order history report into an Excel, text, or XML format. This will aid in management's ability to track agency spend and user activity.

Additional Features

In addition to the above features Grainger.com users have access to the following features:

- User-friendly shopping tools to find products and prices quickly and easily
- Product specifications including item details and technical specifications
- Comprehensive product comparisons (Grainger US Only)
- SDS sheets (formerly MSDS)
- Contract pricing with Contract Reference Price
- Real-time product availability
- Private and shared item lists for easy reordering
- Auto-reorder capabilities (Grainger US Only)
- Online special order and catalog item quotes (Grainger US Only)
- Customizable order and line level data fields (Grainger US only)
- Invoice copies and payment options

- Account default management including payment and shipping options
- Online Help with Click to Chat (Grainger US Only)*
- Online Chat triggered by behavior (Acklands-Grainger only)

Members can chat live with Customer Service Associates (CSA) on grainger.com. Once "Chat Now" is clicked, a message box opens up allowing Members to communicate with the CSA.

24) Please rank the top 3 market segments where your company provides products & services:

a) Facilities MRO (Maintenance Repair & Operations)
b) Industrial Supplies
c) Tools & Equipment/Accessories
d) Electrical Power Transmission & Supplies
e) Mechanical Power Transmission
f) Pneumatics/ Fluid Power
g) Electrical and Lighting Products & Services
h) Plumbing Supplies & Waterworks
i) Construction & Building Supplies

Facilities MRO, Electrical and Lighting Products & Services and Industrial Supplies are likely our top 3 segments as noted on the list. Grainger's strategy is to distribute the broadest line of MRO products and service categories and anything related to small, medium and large commercial, government and institutional customers. Critical to our approach is an offering of scale and breadth encompassing each segment noted. We compete directly and emphatically with specialized distributors and manufacturers in power and mechanical transmission, pneumatics, electrical, lighting, plumbing, and facilities maintenance. We offer extensive product choice in the construction and building supply segment; we do not generally offer lumber, brick, stone or gravel. Grainger's sourcing reach is in further support of the strategy to provide comprehensive choice across all categories.

Our experience is that while prominent purchases are found in a particular segment such as Facilities MRO, Electrical and Lighting Products & Services and Industrial Supplies, Grainger North America's offering is spread across all categories. This strategy is built around customers that examine the acquisition process and quantify values, particularly price, time and compliance. We purposely pursue customers who understand the total costs of acquisition and maintaining inventory and embrace meaningful effort to control it. Individual bidding, trips outside the workplace to purchase, inadequate records and compliance and inefficient return and credit processes have identifiable and huge costs. In offering broad choice across all categories, our goal is to exceed the expectation throughout an organization- from purchasing to end user to audit/compliance.

25) Describe your market share, depth, and breadth of products and services offered within each of the following categories you currently provide to your government, education & non-profit customers:
   a) Facilities MRO (Maintenance Repair & Operations)
   b) Industrial Supplies
   c) Tools & Equipment/Accessories
   d) Electrical Power Transmission & Supplies
   e) Mechanical Power Transmission
   f) Pneumatics/ Fluid Power
   g) Electrical and Lighting Products & Services
   h) Plumbing Supplies & Waterworks
   i) Construction & Building Supplies

Grainger estimates the US market for MRO products to be approximately $127 billion in 2017, of which our US business share is approximately 6%. Canada's market for MRO products was approximately $11 billion, of which our Canada business share is approximately 7%. Our experience in the government sector is that our market share is slightly higher, in some jurisdictions approaching 10% and beyond where supply chain expertise and efficiencies are critical to provide product and services across long distances. In the government, education and non-profit sectors we deliver broad scale and deep depth across all product and service categories. Our objective is to meet all agency MRO requirements.

Grainger's 1.7 million products and services are purchased by government, education and non-profit customers similar to Sourcewell members daily. Our customers in this sector have access to more than 9,700 motors (DC, HVAC, pump, AC definitive purpose and general) and the replacement parts and supplies associated with each. Our waterworks offering serves public and private utilities, reservoirs, filtering plants, irrigation systems and sewer and treatment facilities throughout North America. The electric and lighting offering includes 651 ballasts, 3,600 bulbs and lamps, 4,600 fixtures and the parallel replacement parts. In the printed catalog, Grainger's industrial safety product line approaches 1,000 pages. In each category Sourcewell references, products are in-stock and ready to ship to arrive the next day. Grainger's manufacturers and supplier relationships and supply chain capability assures that product arrives where and when it is needed, particularly in emergency circumstances. The offering evolves continually to meet changing customer requirements.

We provide these products through Grainger sales representatives, catalogs, eCommerce, inventory management and local branches. This combination of product breadth, local availability, speed of delivery, detailed product information and competitively priced products and services applies across all categories. Our technical expertise assists customer purchasing decisions, including advice to improve agency operations. Grainger compliance protocols reflect the standards associated with government agencies. The breadth of our product and service line, and the expertise of Grainger employees, is the foundation of our proposal to Sourcewell members in the government, education and non-profit sectors

Signature: _____ Date: 12/06/2018

City of Austin
SMBR
Small & Minority Business Resources
Opening the door to opportunities.

GOAL DETERMINATION REQUEST FORM

Buyer Name/Phone	Sandy Wirtanen 512-974-7711	**PM Name/Phone**	
Sponsor/User Dept.	Citywide	**Sponsor Name/Phone**	
Solicitation No	Cooperative	**Project Name**	Sourcewell Contract with Grainger
Contract Amount	$6M annually	**Ad Date (if applicable)**	N/A

Procurement Type

- ☐ AD – CSP
- ☐ AD – Design Build Op Maint
- ☐ IFB – IDIQ
- ☐ Nonprofessional Services
- ☐ Critical Business Need
- ☐ Sole Source*
- ☐ AD – CM@R
- ☐ AD – JOC
- ☐ PS – Project Specific
- ☒ Commodities/Goods
- ☐ Interlocal Agreement
- ☐ AD – Design Build
- ☐ IFB – Construction
- ☐ PS – Rotation List
- ☒ Cooperative Agreement
- ☐ Ratification

Provide Project Description**

This will be a Cooperative contract with Grainger for industrial supplies and equipment to repair and maintain City facilities and equipment.

Project History: Was a solicitation previously issued; if so were goals established? Were subcontractors/subconsultants utilized? Include prior Solicitation No.

Previous contract, GC15*004, was also through a Cooperative and did not have goals.

List the scopes of work (commodity codes) for this project. *(Attach commodity breakdown by percentage; eCAPRIS printout acceptable)*

54523 - Impact tools - 100%

Sandy Wirtanen	4/5/2019
Buyer Confirmation	**Date**

** Sole Source must include Certificate of Exemption*
***Project Description not required for Sole Source*

FOR SMBR USE ONLY

Date Received	4/5/2019	**Date Assigned to BDC**	4/8/2019

In accordance with Chapter2-9(A-D)-19 of the Austin City Code, SMBR makes the following determination:

☐ Goals	% MBE	% WBE
☐ Subgoals	% African American	% Hispanic
	% Asian/Native American	% WBE
☐ Exempt from MBE/WBE Procurement Program	☒ No Goals	

City of Austin
SMBR
Small & Minority Business Resources
Opening the door to opportunities.

GOAL DETERMINATION REQUEST FORM

This determination is based upon the following:

- ☐ Insufficient availability of M/WBEs
- ☐ Insufficient subcontracting opportunities
- ☐ Sufficient availability of M/WBEs
- ☐ Sole Source
- ☐ No availability of M/WBEs
- ☒ No subcontracting opportunities
- ☐ Sufficient subcontracting opportunities
- ☐ Other

If Other was selected, provide reasoning:

MBE/WBE/DBE Availability

N/A

Subcontracting Opportunities Identified

N/A

Ahide Garcia	
SMBR Staff	**Signature/ Date**
Ahide Garcia M.	04/08/19
SMBR Director or Designee	**Date** 4-9-19
Returned to/ Date:	