Thursday, December 16, 2010

## Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 49

**Subject:** Authorize award and execution of a three-month requirements supply contract through The Cooperative Purchasing Network (TCPN) with GRAINGER, INC., Austin, TX, to purchase industrial supplies and equipment in an estimated amount not to exceed \$421,875, with four 12-month extension options in an estimated amount not exceed \$1,687,500 for each extension option, for a total estimated contract amount not to exceed \$7,171,875.

**Amount and Source of Funding:** Funding in the amount of \$1,265,625 is available in the Fiscal Year 2010-2011 Operating Budget of various City departments. Funding for the remaining extension options is contingent upon available funding in future budgets.

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

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

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

**Boards and Commission Action:** To be reviewed by the Water and Wastewater Commission on December 8, 2010 and the Electric Utility Commission on December 13, 2010.

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

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

A separate requirements supply contract is being awarded to another supplier under a separate cooperative purchasing program in order to provide city personnel with a competitive and expanded choice of available products.

W.W. Grainger, Inc. is contracted through TCPN to provide this equipment to other public entities nation-wide. This cooperative purchasing program was established as a national structure for local government agencies to make use of their collective purchasing power and is authorized under the provisions of the Interlocal Cooperation Act, Chapter 791, Texas Government Code.