



Recommendation for Action

File #: 23-2015, **Agenda Item #:** 19.

6/8/2023

Posting Language

Authorize negotiation and execution of three contracts for maintenance, repair, and operation equipment, supplies, and services with W. W. Grainger, Inc. d/b/a Grainger, Fastenal Company, and SID Tool Co., Inc. d/b/a MSC Industrial Supply Co., each for up to 65 months for total contract amounts not to exceed \$53,285,000, divided among the contractors.

[Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D (Minority Owned and Women Owned Business Enterprise Procurement Program). For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$2,459,308 is available in the Fiscal Year 2022-2023 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple cooperative purchase programs were reviewed for these goods and services. The Financial Services Department has determined these contractors best meet the needs of the departments to provide the goods and services required at the best value for the City.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Additional Backup Information:

These contracts will provide a reliable source for industrial supplies, equipment, and tools used by various City departments to repair and maintain their facilities and equipment throughout the City. Staff will have quick, reliable access to a wide variety of goods and services available from the three contractors including repair and maintenance equipment and supplies for electrical, plumbing, fleet vehicle maintenance shop and testing equipment, heating, ventilation and conditioning system testing and maintenance equipment, janitorial equipment and cleaning supplies, electrical hand tools, hardware, safety equipment and supplies, small electrical motors and generators, lighting, and test instruments.

The Sourcewell cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

These contracts will replace current contracts expiring June 30, 2023, and January 25, 2024. The requested authorization amount was determined using departmental estimates based on historical spend and future usage. The recommended contractors are the current providers for these goods and services.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	41 mos.	\$33,591,000
Optional Extension 1	12 mos.	\$ 9,847,000
Optional Extension 2	12 mos.	\$ 9,847,000
TOTAL	65 mos.	\$53,285,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.