

August 11, 2020

R-15

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract with W.W. Grainger, Inc., of Lake Forest, IL, for furnishing and delivering maintenance, repair, and operations supplies and related materials, on the same terms and conditions afforded to the City of Tucson, AZ, through Omnia Partners, in annual amount of \$1,000,000, with a 20 percent contingency of \$200,000, for a total annual contract amount not to exceed \$1,200,000, until the Omnia Partners contract expires on December 31, 2022, with the option to renew for as long as the Omnia Partners contract is in effect, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with W.W. Grainger, Inc. (Grainger), for furnishing and delivering maintenance, repair, and operations (MRO) supplies and related materials. The award represents the combined annual amounts as estimated by various City Departments.

The Purchasing Division in the Financial Management Department researched procurement options for hardware, hand and automotive tools, building supplies, traffic cones, barricades, and safety supplies, and discovered several other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the cooperative agreement options and determined that the City of Tucson's Grainger contract, through Omnia Partners, provided the best value to the City.

Grainger was selected based on their competitive pricing, service level, and breadth of product offerings. Grainger has the ability to manage high frequency, small volume, and will-call orders for a wide variety of materials used for special projects that would be impractical to bid individually. Grainger also offers convenient online ordering and has two store locations within a ten-mile radius of the city for will-call pickups. Purchases are streamlined through an internal approval process and custom catalogs may be created to limit the purchases of non-approved items. Grainger has the ability to provide necessary resources for Departments to order as-needed supplies for projects and job-related duties.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

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This matter was reviewed by Deputy City Attorney Amy R. Webber and Budget Management Officer Rhutu Amin Gharib on July 27, 2020, and by Deputy Finance Director Sandy Tsang-Palmer on July 17, 2020.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on August 11, 2020, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The annual contract amount will not exceed \$1,200,000, inclusive of a 20 percent contingency. The cost for this contract is budgeted in various fund groups and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This contract will provide continued support to our local economy by assisting in the preservation of employment for at least seven employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT - RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO ENTER INTO AN AGREEMENT WITH W. W.
6 GRAINGER, INC. TO FURNISH AND DELIVER
7 MAINTENANCE, REPAIR, AND OPERATIONS SUPPLIES
8 AND RELATED MATERIALS ON THE SAME TERMS AND
9 CONDITIONS AFFORDED TO THE CITY OF TUCSON,
10 ARIZONA, THROUGH OMNIA PARTNERS IN AN ANNUAL
11 AMOUNT OF \$1,000,000
12

13 WHEREAS, the Charter of the City of Long Beach (the "City"), Section
14 1802, permits the City to purchase services, supplies, materials, equipment and labor
15 with other government agencies by purchasing under their contracts on a voluntary and
16 selective basis when authorized by resolution; and

17 WHEREAS, the City desires to purchase maintenance, repair, and
18 operations supplies and related materials; and

19 WHEREAS, W.W. Grainger has a contract with the City of Tucson, Arizona,
20 through Omnia Partners, for the purchase of maintenance, repair and operations
21 supplies, parts, equipment, materials and related services, Contract No. 192163 ("Tucson
22 Contract"); and

23 WHEREAS, the City's participation in the Tucson Contract will facilitate
24 acquisition of the maintenance, repair, and operations supplies and related materials as
25 well as provide considerable cost benefits to the City; and

26 WHEREAS, if the City had to go to formal bid rather than participate in the
27 Tucson Contract considerably more funds would be required;

28 NOW, THEREFORE, the City Council of the City of Long Beach resolves as

1 follows:

2 Section 1. The above recitals are true and correct and are incorporated
3 herein by this reference.

4 Section 2. The City Manager of the City is hereby authorized to enter into
5 a contract with W.W. Grainger, Inc., to purchase maintenance, repair, and operations
6 supplies and related materials of substantially the same type and kind purchased by the
7 City of Tucson, Arizona through Omnia Partners, pursuant to the Tucson Contract except
8 as modified by mutual agreement of the City and W.W. Grainger, Inc., in an annual
9 amount of One Million Dollars (\$1,000,000), with a twenty percent (20%) contingency of
10 Two Hundred Dollars (\$200,000), for a total not to exceed contract amount of One Million
11 Two Hundred Thousand Dollars (\$1,200,000), until the Omnia Partners contract expires
12 on December 31, 2022, with the option to renew for as long as the Omnia Partners
13 contract is in effect, at the discretion of the City Manager.

14 Section 3. This resolution shall take effect immediately upon its adoption
15 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City
Council of the City of Long Beach at its meeting of _____, 2020
by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk