

City of Sacramento

Legislation Text

File #: 2019-01650, **Version:** 1

Title:

Agreement: Cooperative Purchase Agreement for Maintenance, Repair, and Operations Products (Published for 10-Day Review 11/27/2019)

File ID: 2019-01650

Location: Citywide

Recommendation:

Pass a Motion: 1) approving the use of the Omnia Partners' cooperative purchasing agreement with W.W. Grainger, for the purchase of maintenance, repair, and operations (MRO) products for an amount not-to-exceed \$2.75 million through January 31, 2023; and 2) authorizing the City Manager or the City Manager's designee to execute purchases from this agreement.

Contact: Lydia Brambila, Procurement Analyst, (916) 808-1229; Robert C. Adams, Procurement Services Manager, (916) 808-5524, Department of Finance.

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Official Contract

Description/Analysis

Issue Detail: City departments use competitively solicited cooperative purchase agreements by other governmental jurisdictions or public agencies to maximize cost savings and efficiently use staff resources when purchasing goods and services. The City of Tucson, Arizona awarded Contract No. 192163 to vendor W.W. Grainger as a result of request for proposal (RFP) No. 192163 for MRO supplies. This contract is available to the City of Sacramento through Omnia Partners, a group purchasing organization. W.W. Grainger provides MRO products required by our City departments.

Policy Considerations: The recommendations in this report are in accordance with City Code Section 3.56.240 which authorizes the City Manager, when it's advantageous to the City, to use

cooperative purchasing agreements approved by the City Council to purchase supplies or nonprofessional services through legal contracts of other governmental jurisdictions or public agencies, eliminating the need to perform additional competitive bidding by the City of Sacramento.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on November 27, 2019 as required.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities and governmental fiscal activities that do not constitute a “project” as defined by the CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines Section 15060(c)(3)).

Sustainability: W.W. Grainger offers a catalog of green products through this recommended agreement. Under the City of Sacramento’s Climate Action Plan, all applicable “green” alternatives will be considered prior to the purchase of their products.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: To maximize cost savings and staff resources, many governmental jurisdictions or public agencies combine their contracting efforts through cooperative purchase agreements which increases pricing competitiveness and lowers operating costs through significant volume discounts. When comparing the administrative costs required, such as product research, vendor research, advertising, awarding, and creating the contract, it’s often more cost-effective to make purchases through a cooperative purchase agreement. The pricing terms and conditions for this agreement were determined through a competitive solicitation that was conducted by the City of Tucson, Arizona.

Financial Considerations: Departments will use their own funding to purchase these MRO products as required.

Local Business Enterprise (LBE): Grainger is not a local business enterprise. This cooperative purchase agreement was created, competitively bid, evaluated, and awarded by the City of Tucson Arizona which currently doesn’t have a local business program.