



City Council Report

Date: December 2, 2024
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Use of a Three-Year Term Cooperative Contract with Two-Year Renewal Options for Maintenance, Repair and Operations (MRO) Supplies, Parts, Equipment, Materials, and Related Services for Citywide use as Requested by the Business Services Department **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Business Services Department and Procurement Services recommend authorizing the purchase using the Omnia Partners cooperative contract with W.W. Grainger, Inc. at \$1,300,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

Multiple City Departments use this citywide contract to perform their work and have been satisfied with the products and services. This contract provides maintenance, repair and operations (MRO) supplies, parts, equipment, materials, and related services including test instruments, and vehicle maintenance supplies, shelving and storage equipment, safety equipment and materials, power tools and metalworking, pneumatic and hydraulic pumps, and plumbing and HVAC equipment such as air circulator fans, sump pumps, drill bits, conspicuity tape, timers, ball valves, casters, hand trucks, eyewash stations, pressure gauges and hand tools.

The City of Tucson solicited, through the Omnia Partners cooperative, and awarded a new contract for MRO Supplies, Parts, Equipment, Materials, and Related Services with Grainger. This new contract will continue to offer the City substantial discounts on the entire Grainger product line ranging from 5% to 32% off Catalog Prices. The contract also offers a 2% annual rebate once the City reaches \$250,000 in spend. An additional 5% rebate is available on growth spend (any spend over the previous year's spend). Additionally, if the City does at least 75% of its spending online (E-Spend) then the contract offers an additional 2% rebate for all E-Spend. With the discounts based on national volume and the contract rebates, it is unlikely that the City would obtain better pricing and rebates by issuing our own solicitation.

Purchase Information

Action: Award

Procurement Type: Cooperative Contract Use

Contract Number: 2025085

Contracting Agency/Contract Numbers: City of Tucson (Omnia)/240078-01

Local Consideration: Policy did not apply to this procurement method

Initial Contract Term: 12/2/2024 – 12/31/2027

Possible Renewals: Up to a maximum of two (2) years subject to Administrative review and approval

Funding Source: Individual City Department's operating budgets purchasing MRO supplies from this contract