



OPERATIONS COMMITTEE

Administration Building
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Agenda Report

File #: 2023-2720

Agenda Date: 5/3/2023

Agenda Item No: 6.

FROM: Robert Thompson, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

COOPERATIVE PROCUREMENT WITH W.W. GRAINGER, INC.

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Blanket Purchase Order with W.W. Grainger, Inc. (Grainger, Inc.) for the purchase of maintenance tools and supplies, utilizing the National Association of State Procurement Officials (NASPO) Master Agreement No. 8496, for the period beginning July 1, 2023, through June 30, 2024, for a total amount not to exceed \$300,000.

BACKGROUND

The Orange County Sanitation District (OC San) requires miscellaneous parts and supplies which may be one-time purchases, or purchased infrequently, such that it is not appropriate to stock them in the OC San's warehouse.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

The current Blanket Purchase Order (BPO) with Grainger, Inc. expires June 30, 2023. Without an agreement in place, procurement of parts and supplies necessary for day-to-day repairs could be delayed resulting in higher individual procurement costs.

PROPOSED SOLUTION

Approve a Blanket Purchase Order with Grainger, Inc. thereby allowing quick procurement and stable pricing of necessary small tools and equipment for day-to-day repairs.

TIMING CONCERNS

N/A

RAMIFICATIONS OF NOT TAKING ACTION

Increased time to procure needed parts and supplies, and potentially higher costs.

PRIOR COMMITTEE/BOARD ACTIONS

February 2020 - Approved a Blanket Purchase Order with W.W. Grainger, Inc. for the purchase of maintenance tools and supplies, in accordance with Ordinance No. OCSD-52, Section 2.03(B): Cooperative Procurement; for the period beginning March 1, 2020 through February 28, 2021, with two one-year renewal options, for a total amount not to exceed \$275,000 per year.

ADDITIONAL INFORMATION

Grainger, Inc. has participated in National Association of State Procurement Officials (NASPO) agreements for Cooperative Contract Pricing for 8 years. NASPO agreements are available to all State of California governmental entities (e.g., state agencies, cities, counties, special districts, school districts, universities) that expend public funds for the acquisition of both goods and services. OC San is utilizing NASPO Master Agreement No. 8496 with W.W. Grainger, Inc., under Ordinance No. OC SAN-56, Section 2.03(B), Cooperative Purchases.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item will be funded by the FY 2023-24 approved budget for Plant No. 1 and Plant No. 2 Maintenance Divisions. (Line item: Repairs and Maintenance, Section 6, Pages 92 and 96).

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A