



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/9/2022

ALL

Item Creation Date:

E28736.A1 - Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies (W.W. Grainger) - MOTION

Agenda Item#: 7.

Background:

P06-E28736.A1 - Amend Council Motion 2019-0195, passed April 17, 2019, to increase the spending authority from \$16,902,152.31 to \$20,850,301.32 for the purchase of Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies from the Statewide Procurement Division Texas Multiple Award Schedule (TXMAS) Contract through the State of Texas Procurement Contract Management Program for Various Departments.

Specific Explanation:

The Chief Procurement Officer recommends that City Council amend Council Motion No. 2019-0195 to increase the spending authority for the purchase of facilities maintenance and repair & operations (MRO) and industrial supplies awarded to **W.W. Grainger** from **\$16,902,152.31 to \$20,850,301.32**. The additional spending authority will enable the departments to continue to make purchases until a new award is presented to City Council.

This award began May 13, 2019, for a four-month period with four one-year options to renew in the amount not to exceed \$16,902,152.31. Expenditures as of October 18, 2022 totaled \$15,602,575.07. All other terms and conditions shall remain as previously approved by City Council.

Spending authority is being exhausted earlier than anticipated due to the increase in MRO supplies, industrial supplies, and related products and services over the past few years. The additional spending authority will enable the departments to continue to make purchases through the remainder of the contract term with the State of Texas, which expires June 30, 2023.

Purchases will be made using the contractor’s Internet website. This will significantly reduce paper transactions and overall delivery time. Shorter delivery times will reduce the amount of inventory. It is estimated that over 90% of the items order on any given day before 4:00 p.m. will be delivered to the City the next business day.

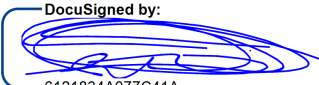
This recommendation is made pursuant to subsection 791.025 of the Texas Local Government Code, which provides that “a local government may agree with another local government or with the state or a state agency, including the comptroller, to purchase goods and services” and that such a purchase satisfies the requirement of the local government to seek competitive bids for the purchase of the goods and services.”

MWBE Participation:

Zero percentage goal-document approved by the Office of Business Opportunity.

Fiscal Note:

- Funding for this item is included in the FY2023 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.
- No Fiscal Note is required on grant items.

DocuSigned by:

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Jedediah Greenfield
 Interim Chief Procurement Officer

Department Approval Authority

10/27/2022

ESTIMATED SPENDING AUTHORITY

Department	FY2023	Out Years	Total
Police	\$ 50,000.00	\$0.00	\$ 50,000.00
Fire	\$ 298,344.00	\$0.00	\$ 298,344.00
Public Works	\$2,200,000.00	\$0.00	\$2,200,000.00
Solid Waste	\$ 25,000.00	\$0.00	\$ 25,000.00
General Services	\$ 63,805.97	\$0.00	\$ 63,805.97
Airport Systems	\$ 820,000.00	\$0.00	\$ 820,000.00
Public Library	\$ 11,714.28	\$0.00	\$ 11,714.28
Health	\$ 210,000.00	\$0.00	\$ 210,000.00
Fleet Management	\$ 269,284.76	\$0.00	\$ 269,284.76
Total Amount	\$3,948,149.01	\$0.00	\$3,948,149.01

Prior Council Action:

Council Motion No.: CM2019-0195 - Approved by City Council on April 17, 2019

Amount and Source of Funding:

\$ 397,819.47 General Fund (1000)
\$2,024,000.00 HPW – Water & Sewer System Operating Fund (8300)
\$ 44,000.00 Stormwater Fund (2302)
\$ 132,000.00 Dedicated Drainage & Street Renewal Fund – Metro et al (2312)
\$ 51,044.78 Maintenance Renewal & Replacement Fund (2105)
\$ 820,000.00 HAS – Revenue Fund (8001)
\$ 210,000.00 Federal Government Fund (5000)
\$ 269,284.76 Fleet Management Fund (1005)
\$3,948,149.01

Contact Information:

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ATTACHMENTS:

Description	Type
E28736 0% MWDDBE	Backup Material
CM 2019-0195	Backup Material
E28736-A1 Tax Report	Backup Material
W. W. Grainger Ownership Forms	Backup Material
E28736-A1 HPD Form A	Financial Information
E28736-A1 HFD Form A	Financial Information
E28736-A1 HPW Form A	Financial Information
E28736-A1 SWD Form A	Financial Information
E28736-A1 GSD Form A	Financial Information
E28736-A1 HAS Form A	Financial Information
E28736-A1 HPL Form A	Financial Information
E28736-A1 HHD Form A	Financial Information
E28736-A1 FMD Form A	Financial Information