



NEWPORT BEACH

City Council Staff Report

March 25, 2025
Agenda Item No. 6

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Approval to Increase the Purchase Order Amount with W. W. Grainger, Inc. for As-Needed Procurement of Public Works Department Maintenance and Repair Tools, Materials and Supplies

ABSTRACT:

Based on anticipated expenditures, staff requests City Council approval to increase the amount of Purchase Order (PO) No. 22500148 with W. W. Grainger, Inc. (Grainger) for as-needed procurement of Public Works Department maintenance and repair tools, materials and supplies from \$120,000 to \$200,000 for Fiscal Year 2024-25, and approval to issue a \$200,000 PO on or after July 1, 2025 for FY 2025-26.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve a change order to Purchase Order No. 22500148 with W. W. Grainger, Inc., increasing the amount from \$120,000 to \$200,000 for FY 2024-25; and
- c) Approve issuing a purchase order with W. W. Grainger, Inc., for \$200,000 for FY 2025-26 on or after July 1, 2025.

DISCUSSION:

The Public Works Department procures a wide variety of essential tools, materials and supplies from Grainger, through a contract they were awarded by the Sourcewell cooperative purchasing agency. Based on the department's FY 2024-25 expenditures to date, staff requests City Council approval to increase the amount of PO No. 22500148 for as-needed procurement of these items from \$120,000 to \$200,000 for FY 2024-25, and to issue a purchase order with Grainger for \$200,000 for FY 2025-26 on or after July 1, 2025. This adjustment will ensure maintenance and operations crews can efficiently manage their various responsibilities in a cost-effective manner that complies with the City of Newport Beach's Purchasing Policy.

Sourcwell awarded Grainger with Contract #091422-WWG for maintenance, repair and operations-related supplies and equipment on November 7, 2022, with an initial term through November 8, 2026. The award was based on Grainger's response to Sourcwell RFP #091422, with Grainger receiving the highest total score of the submitted proposals. Grainger is a leading provider in the retail warehouse sector, and through this agreement provides qualifying agencies with ready access to pre-negotiated, discounted rates on a wide variety of essential maintenance-related supplies.

FISCAL IMPACT:

The adopted budget includes sufficient funding for this purchase. Depending on the respective use of the equipment and materials in question, costs will be expensed to accounts in Facility Maintenance (0108041), Fleet (7529031), Parks (0108031), or Streets/Beaches (0108061).

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Sourcwell Contract #091422-WWG