

STAFF REPORT

Date: February 12, 2020

To: Mayor and City Council

Thru: Sabra Newby, City Manager

Subject: **B.3. Staff Report (For Possible Action): Approval for the City to utilize available maintenance, repair and operational (MRO) supplies contracts in accordance with the joinder provision in NRS 332.195. (Various Funds)**

From: Deborah Lauchner, Director of Finance

Summary: In accordance with City purchasing policy #303, staff is requesting approval to utilize any maintenance, repair and operational supplies (MRO) contracts as allowed under Nevada Revised Statutes (NRS) 332.195. This will allow City MRO purchases to be completed in an efficient manner, is in compliance with the City Purchasing Policy and in accordance with the joinder provisions under Nevada Revised Statutes (NRS) 332.195. Staff recommends approval to utilize any MRO contracts available with joinder provisions for the following five fiscal years.

Previous Council Action: In 2018, Council approved the use of the MRO contract with Grainger, utilizing the joinder provision of the National Intergovernmental Purchasing Alliance (National IPA) contract number 141003.

Discussion: Staff considered joinder opportunities with any and all companies that offer both the benefit of multi-agency volume pricing and local, same-day service when necessary. The City spends approximately \$255,000 per fiscal year in MRO supplies. Allowing staff to find joinable contracts will ensure the departments are able to purchase supplies in a cost effective and efficient manner, allowing the City to obtain the best overall pricing/service available that meets the City's needs.

Since pricing for items vary, staff is recommending that purchases of MRO supplies be allowed under available joinder contracts for the following reasons:

- *No single low priced vendor on all items
- *Pricing spread between vendors is marginal
- *Similar products offered and availability of delivery service
- *Any department can compare pricing from various vendors for a more cost effective

result

*Departments will have selection and opportunity to meet any and all MRO supply needs, while minimizing total costs by ordering from the lowest priced supplier.

All purchases are subject to limits set by Purchasing Policy 303.

Financial Implications: MRO supplies purchased will be expensed in accordance with department budgets approved by Council for appropriate fiscal years.

Legal Implications: The City's participation in joinable MRO supply contracts is in conformance with the City Purchasing Policy and NRS 332.195, allowing for local governments to use the joinder provision of contracts from other government agencies within or outside the State of Nevada with the authorization of the contracting vendor.

Recommendation: Staff recommends Council authorize the use of any available MRO contracts, utilizing the joinder provision as allowed under NRS 332.195, and authorize the Finance Director to sign any required documents.

Proposed Motion: I move to approve staff recommendation.