

# CONTRACT AMENDMENT

CITY OF TUCSON BUSINESS SERVICES DEPARTMENT  
255 W. ALAMEDA, 6TH FLOOR, TUCSON, AZ 85701  
P.O. BOX 27210, TUCSON, AZ 85726  
PHONE: (520) 837-4137 / FAX: (520) 791-4735  
Jenn.Myers@tucsonaz.gov  
ISSUE DATE: June 9, 2020

**CONTRACT # 192163**  
CONTRACT AMENDMENT NUMBER: TWO (2)  
PAGE 1 of 3  
JM  
PRINCIPAL CONTRACT OFFICER: JENN MYERS, CPPB

## MAINTENANCE, REPAIR AND OPERATIONS (MRO) SUPPLIES, PARTS, EQUIPMENT, MATERIALS AND RELATED SERVICES

THIS CONTRACT IS AMENDED AS FOLLOWS:

**ITEM ONE (1): SCOPE OF SERVICES – OTHER/VALUE ADD - ITEM 5.** Other/Value Add is hereby replaced with the following:

a. Describe any government rebate or government incentive programs applicable

1. Grainger Incentive Program

Grainger will offer the following incentives to City of Tucson/OMNIA affiliated Members.

Grainger provides incentives to City of Tucson/OMNIA Members that:

- 1) Affiliate to this contract
- 2) Net purchase of more than \$25,000 annually under the Agreement from Grainger

Grainger Incentives include:

**Incentive Growth:** Grainger will provide the City of Tucson/OMNIA Members an incentive fee tied to annual incremental purchase growth with Grainger. If the Member increases its net annual spend from Grainger, as compared to the previous contract year, Grainger will pay a five percent (5%) fee on the incremental growth.

**eCommerce Incentive:** Grainger will provide the City of Tucson/OMNIA Members that purchase more than a fifty percent (50%) of spend from Grainger through a Grainger approved ecommerce channel with a two percent (2%) eCommerce Incentive fee paid annually on all eCommerce spend with Grainger for the contract year.

**Direct Sales Administrative Fee ("DSAF"):** Grainger will provide Participating Public Agencies, that purchase more than \$250,000 of this Master Agreement from Grainger, in a contract year with a DSAF of two percent (2%). The two percent (2%) fee shall be calculated based on a Participating Public Agency's net annual spend with Grainger from this Master Agreement.

**Reporting and Payment:** Payment of Fees and Incentives, along with a supporting report, will be issued to Participating Public Agencies within ninety (90) days of the close of the current contract year. Grainger will work with OMNIA Partners on the distribution of these funds.

**Net Annual Spend Defined:** Net Annual Spend is calculated for the contract year and is defined as the total invoice price of all contract year purchases from Grainger from this Master Agreement less:

1. Refunds
2. Credits on returns
3. Discounts
4. The monies paid on any purchases from Grainger Distributor Alliance Program contractual resellers.

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2. City of Tucson Enhanced Incentive Program; Grainger offers a three percent (3%) increased discount on each of the defined twenty-one (21) MRO categories in lieu of the above Participating Public Agency Incentives and Fees for Participating Public Agencies who:.

- A. Have a net purchase of at least \$250,000 in Total Participating Public Agency Purchases during the contract year,
- B. Transition to the City of Tucson Enhanced Incentive Program utilizing the enclosed Enhanced Incentive Program Transition Form, or
- C. Transition to the Enhanced Incentive Program outside the anniversary of the contract year forgo current year Participating Public Agency incentives upon transition.

3. Participating Public Agency's currently participating in any other Incentive Program outside the scope of those described herein (Grainger Incentive Program) are not eligible for the Enhanced Incentive Program.

City of Tucson MRO Categories	Current CRP Discount	Enhanced Incentive Program
Air Filters	40%	43%
Adhesives, Sealants and Tape	7%	10%
Cleaning	22%	25%
Hand Tools	14%	17%
HVAC and Refrigeration	17%	20%
Material Handling	15%	18%
Safety	19%	22%
Motors	19%	22%
Electrical	23%	26%
Fasteners	32%	35%
Lighting	22%	25%
Lubrication	7%	10%
Outdoor Equipment	12%	15%
Paint, Equipment and Supplies	10%	13%
Plumbing	20%	23%
Pneumatics	11%	14%
Test Instruments	7%	10%
Power Tools	11%	14%
Power Transmission	19%	22%
Machining	7%	10%
Pumps	7%	10%
Welding	10%	13%
Abrasives	7%	10%
Electronics, Appliances, and Batteries	19%	22%
Lab Supplies	7%	10%
Security	15%	18%
Primary	5%	5%

\*\*\*END OF AMENDED ITEMS\*\*\*

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**ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.**

CONTRACTOR: W.W. Grainger, Inc.

CONTRACTOR HEREBY ACKNOWLEDGES RECEIPT OF  
AND UNDERSTANDING OF THE ABOVE AMENDMENT

 6/10/2020  
Signature of person authorized to sign Date

Ron Price Sr. Sales Manager  
Name and Title (typed or printed legibly)

W.W. Grainger  
Company Name

100 Grainger Parkway  
Address

ron.price@grainger.com  
Email Address

Lake Forest IL 60045  
City State Zip

Contact information for Sales/Account  
Representative for daily business operations:

Ron Price Sr. GSM  
Name and Title (typed or printed legibly)

979 224 4794  
Phone Number

ron.price@grainger.com  
Email Address

CITY OF TUCSON:

THE ABOVE REFERENCED CONTRACT AMENDMENT

IS HEREBY EXECUTED THIS 22nd DAY

OF June, 2020, AT TUCSON, ARIZONA.

Nathan Daou  
Director of Business Services and not personally