



June 17, 2025

The Honorable Board of Commissioners
Los Angeles County
Development Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**AMENDMENT TO EXTEND CONTRACT FOR BUILDING MATERIALS AND SUPPLIES
(ALL DISTRICTS) (3 VOTE)**

SUBJECT

This letter recommends approval of an amendment to the LACDA Contract with W.W. Grainger, Inc., to extend the Contract for an additional one year to provide building materials and supplies to various public and affordable housing developments and administrative sites managed by the Los Angeles County Development Authority (LACDA).

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Executive Director or designee to execute an amendment to the Contract, following approval as to form by County Counsel, to extend the term for an additional one year with an annual compensation of \$1,200,000 using program funds included in the LACDA's Fiscal Year 2025-2026 budget.
2. Authorize the Executive Director or designee to amend the Contract to modify the Statement of Work, add services, and increase the annual compensation by up to 10% of the Contract total as needed for unforeseen costs.
3. Find that approval of an amendment to the existing Contract to provide building materials and supplies is exempt from the California Environmental Quality Act (CEQA), as described herein, for the reasons stated in this Board letter and the record of the project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 12, 2022, the Board awarded a one-year contract to W.W. Grainger, Inc. to provide building materials and supplies, in the amount of \$1,200,000 with the option to extend up to two additional years. The Contract is currently in effect on its last year through June 30, 2025, after execution of Amendments No. 1 and No. 2. The purpose of this action is to extend the contract term for an additional one year at the same annual compensation of \$1,200,000 due to the need for building materials and supplies while LACDA continues negotiations with another vendor for supplies.

Current negotiation efforts have been ongoing with another vendor to provide building materials and supplies for the next five years, but will not be completed before the existing contract with W.W. Grainger expires on June 30, 2025. Therefore, the additional contract extension until June 30, 2026 will facilitate LACDA's efforts in negotiating with a new vendor and allow for continued material purchasing and operations of extraordinary, routine, and required maintenance to LACDA public housing developments and administrative buildings.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund.

If extended, the cost of the fourth year will remain at the same annual amount of up to \$1,200,000, using program funds included in the LACDA's Fiscal Year 2025-2026 budget.

A 10% contingency, in the amount of \$120,000 per year, is also being set for any additional needed building materials and supplies. If the Contract is fully extended, the total Contract and contingency amount for all four years will be \$5,280,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 31, 2018, the Regents of the University of California (UC), a California public corporation, in conjunction with the National Intergovernmental Purchasing Alliance Company (National IPA) an Omnia Partners, Public Sector member, conducted a Request for Proposals Solicitation, RFP-MRO-UCSystemWide-Jan31-2018. On May 18, 2018, the UC Awarded a Contract to W.W. Grainger, Inc., with options to extend the term of performance. In which on January 16, 2024, the UC and Grainger executed an amendment to extend the contract until June 30, 2026. The LACDA intends to utilize the procurement and extension conducted by the UC for building materials and supplies, to amend the LACDA Contract for an additional year.

This Contract will continue to primarily be federally funded and is not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the Skills and Training to Achieve Readiness for Tomorrow (START) Program implemented by the County of Los Angeles. Instead, W.W. Grainger, Inc., will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

The proposed action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3) because it involves maintenance activities that will not have a physical impact on, or result in any physical changes to the environment. The action is exempt from the provisions of CEQA pursuant to section 15301 of the

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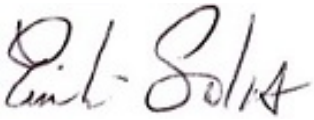
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State CEQA Guidelines because it involves activities that do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the proposed Contract Amendment will allow LACDA to continue ordering building materials and supplies necessary to maintain LACDA properties. These materials and supplies will facilitate maintenance operations throughout LACDA properties to maintain safe and sanitary conditions for residents and staff.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Emilio Salas". The signature is written in a cursive, flowing style.

Emilio Salas

Executive Director

ES:BDS