

Form C**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,
AND SOLUTIONS REQUEST**Company Name: W.W. Grainger, Inc.

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
		Grainger has no exceptions to list	

Proposer's Signature: Ch. FosterDate: 12/6/2018**Sourcewell's clarification on exceptions listed above:**

Contract Award
RFP #121218**FORM D****Formal Offering of Proposal**

(To be completed only by the Proposer)

FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES

In compliance with the Request for Proposal (RFP) for FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: W.W. Grainger, Inc. Date: 12/06/2018Company Address: 100 Grainger ParkwayCity: Lake Forest State: IL Zip: 60045CAGE Code/DUNS: 005-10-3494Contact Person: Chris Porter Title: Sr. Government Sales ManagerAuthorized Signature:  Chris Porter
(Name printed or typed)

FORM E**CONTRACT ACCEPTANCE AND AWARD**

(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 121218-WWG

Proposer's full legal name: W.W. Grainger, Inc.

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be January 25, 2019 and will expire on January 25, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:

Jeremy Schwartz

0507A39D06489
SOURCEWELL DIRECTOR OF OPERATIONS AND
PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

DocuSigned by:

Chad Coquette

7E42B8F817A64CC
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on January 23, 2019

Sourcewell Contract # 121218-WWG

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Grainger

Authorized Signatory's Title Sr. National Government Sales Manager

Chris Porter

VENDOR AUTHORIZED SIGNATURE

Chris Porter

(NAME PRINTED OR TYPED)

Executed on Jan. 29, 2019

Sourcewell Contract # 121218-WWG

Form F**PROPOSER ASSURANCE OF COMPLIANCE****Proposal Affidavit Signature Page****PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
4. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
7. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: W.W. Grainger, Inc.

Address: 100 Grainger Parkway

City/State/Zip: Lake Forest, IL 60045

Telephone Number: 940-867-7602

E-mail Address: Chris.Porter@grainger.com

Authorized Signature: 

Authorized Name (printed): Chris Porter

Title: Sr. Government Sales Manager

Date: 12/06/18

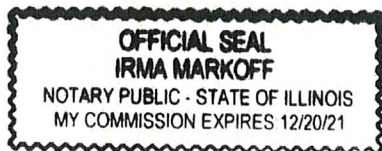
Notarized

Subscribed and sworn to before me this 6th day of December, 20 18

Notary Public in and for the County of Lake State of Illinois

My commission expires: 12/20/21

Signature: 



Form P**PROPOSER QUESTIONNAIRE****Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions**

Proposer Name: W.W. Grainger, Inc.

Questionnaire completed by: Chris Porter

Payment Terms and Financing Options

- 1) What are your payment terms (e.g., net 10, net 30)?

Grainger North America's payments terms are NET 30.

- 2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

Grainger North America does not offer leasing or financing options at this time.

- 3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.

Grainger is proposing a Business to Government order process, through a Grainger or Acklands-Grainger branch or any of the multiple EDI platforms.

Grainger's utilizes SAP's innovation for reporting, transactional, planning, logistical and operational needs of the facilities maintenance marketplace and especially to meet our customers' reporting requirements. Grainger can provide quarterly sales data to Sourcewell

- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?

Grainger North America accepts all types of VISA, MasterCard, Discover Card and American Express (AMEX) cards as a means of payment. There is no additional cost to Members for this process.

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

Grainger US Warranty**Satisfaction guarantee to all customers**

Customer should contact Grainger if not satisfied with a product for any reason. Grainger will promptly provide an exchange or refund if the product is returned within 30 days of delivery, in its original packaging and with proof of purchase from Grainger.

GRAINGER LIMITED WARRANTY FOR BUSINESSES

All products sold to business customers are warranted by Grainger only for use in business, government, resale, or original equipment manufacturer against defects in workmanship or materials under normal use for one (1) year after date of purchase from Grainger. At Grainger's option, the exclusive remedy for any product it determines to be defective in workmanship or materials will be repair, replacement or refund of the purchase price.

WARRANTY DISCLAIMER

A. No warranty or affirmation of fact, express or implied, other than as set forth in the limited warranty statement above, is made or authorized by Grainger. Grainger disclaims any liability for claims arising out of product misuse, improper product selection, improper installation, product modification, misrepair or misapplication. Grainger expressly disclaims any warranty that the products: (i) are merchantable; (ii) fit for a particular purpose; or (iii) do not and will not infringe upon others' intellectual property rights.

B. Grainger makes no warranties to those defined as consumers in the Magnuson-Moss warranty-federal trade commission improvement act.

LIMITATION OF LIABILITY

Grainger expressly disclaims any liability for consequential, incidental, special, exemplary, or punitive damages. Grainger's liability in all circumstances is limited to, and shall not exceed, the purchase price paid for the product that gives rise to any liability.

SATISFACTION GUARANTEE TO ALL CUSTOMERS.

Customer should contact Grainger if not satisfied with a product for any reason. Grainger will promptly provide an exchange or refund if the product is returned within 30 days of delivery, in its original packaging and with proof of purchase from Grainger.

LIMITED WARRANTY FOR BUSINESSES.

A. ALL PRODUCTS SOLD ARE WARRANTED BY GRAINGER ONLY TO CUSTOMERS FOR: (i) RESALE; OR (ii) USE IN BUSINESS, GOVERNMENT OR ORIGINAL EQUIPMENT MANUFACTURE.

B. Grainger warrants products against defects in materials and workmanship under normal use for a period of one (1) year after the date of purchase from Grainger, unless otherwise stated. Provided that Grainger accepts the product for return during the limited warranty period, Grainger may, at its option: (i) repair; (ii) replace; or (iii) refund the amount paid by customer. Customer must return the product to the appropriate Grainger branch or authorized service location, as designated by Grainger, shipping costs prepaid. Grainger's repair, replacement, or refund of amounts paid by customer for the product, shall be customer's sole and exclusive remedy.

WARRANTY DISCLAIMER AND LIMITATIONS OF LIABILITY TO ALL CUSTOMERS.

Except as set forth herein and where applicable, no warranty or affirmation of fact or description, express or implied, is made or authorized by Grainger. Grainger disclaims any express or implied warranties of merchantability, fitness for a particular purpose or noninfringement of intellectual property rights. Grainger also disclaims any liability for claims arising out of product misuse, improper product selection, improper installation, product modification, misrepair or misapplication. Grainger expressly disclaims any liability for consequential, incidental, special, exemplary, or punitive damages to the extent permissible. Grainger's liability in all events is limited to the purchase price paid for the product that gives rise to any liability.

Warranty Product Return.

Before returning any product, customer may contact Grainger either by logging on to www.grainger.com/returns or calling Grainger's Customer Care at 1-800-GRAINGER (472-4643). Proof of purchase is required in all cases.

Manufacturer's Warranty.

For information on a specific manufacturer's warranty, please contact the local Grainger branch or call Grainger Customer Care at 1-800-GRAINGER (472-4643).

Product Compliance and Suitability.

Jurisdictions have varying laws, codes and regulations governing construction, installation, and/or use of products for a particular purpose. Certain products may not be available for sale in all areas. Grainger does not guarantee compliance or suitability of the products it sells with any laws, codes or regulations, nor does Grainger accept responsibility for construction, installation and/or use of a product. It is customer's responsibility to review the product application and all applicable laws, codes and regulations for each relevant jurisdiction to be sure that the construction, installation, and/or use involving the products are compliant.

Cross-Reference Information.

Product cross-reference comparisons or product alternatives that are presented do not imply that products are available or perfectly comparable. CROSS-REFERENCED PRODUCTS OR PRODUCT ALTERNATIVES ARE NOT REPRESENTED OR WARRANTED AS FUNCTIONAL OR PERFORMANCE EQUIVALENTS. Customer shall review all cross-referenced product or product alternative specifications prior to purchase and use to determine suitability of the product for customer's intended use.

Grainger Canadian Limited Warranty:**Limited Warranty**

The warranty and return policy for all products sold hereunder (the "Products") is determined by the original equipment manufacturer and/or supplier. All products sold by Acklands-Grainger Inc. ("Acklands-Grainger") are warranted only to the extent of the manufacturer's/supplier's warranty, and only to purchasers ("Buyers") for resale or for use in their business in Canada.

Products are warranted against defects in workmanship or materials only in accordance with the individual manufacturer's warranty policy. Manufacturers of certain Products, such as fasteners, do not provide a warranty period.

Any part which is determined by Acklands-Grainger to be defective in material or workmanship and returned to an Acklands-Grainger branch or authorized service location as Acklands-Grainger designates, shipping costs prepaid, will be repaired or replaced, at Acklands-Grainger's sole option, as the Buyer's exclusive remedy.

Warranty Disclaimer

Acklands-Grainger has made a diligent effort to illustrate and describe the Products in its catalogues accurately; however, such illustrations and descriptions are for the sole purpose of identification, and do not express or imply a warranty or condition that the Products are merchantable, or fit for a particular purpose or that the Products will necessarily conform to the illustrations or descriptions. The Products are sold to Buyers on an "as is, where is" basis, and no warranty or condition or affirmation of fact, express or implied, other than as set forth in the limited warranty above is made or authorized by Acklands-Grainger. Any and all representations and warranties, express or implied, legal, statutory, conventional or otherwise with respect to the Products (including, implied warranties as to merchantability or fitness for a particular purpose), whether pursuant to the Sale of Goods Act of any province or otherwise, are hereby expressly excluded and disclaimed.

Limitation of Liability

Any liability for indirect, special, exemplary, punitive, consequential or incidental damages is expressly disclaimed by Acklands-Grainger. Acklands-Grainger's liability in all events for all damages, losses and causes of action (whether in contract, tort or otherwise) shall be limited in the aggregate to, and shall not exceed, the purchase price paid by the Buyer for the Product in question.

Prompt Disposition

Acklands-Grainger will make a good faith effort for prompt correction or other adjustment with respect to any Product which proves to be defective within the warranty period. Before returning any Product, write or call the Acklands-Grainger location from which the Product was purchased, giving date and number of original invoice and describing the defect. The Acklands-Grainger branch will give instruction as to the method of returning the Product.

Product Suitability

Many provinces and locations have laws, codes and regulations governing sales, construction, installation and/or use of products for certain purposes, which may vary from those in neighboring areas. While Acklands-Grainger attempts to ensure that its Products comply with such codes, it cannot guarantee compliance, and cannot be responsible for how Products are installed or used. Before purchase and use of a Product, please review the Product, and applicable national, provincial and local laws, codes and regulations, and be sure that the Product, as well as its installation and use, complies with them.

Hazardous Materials Information

For the information of Buyers, Acklands-Grainger has obtained Material Safety Data Sheets ("MSDS") for all "controlled products" within the meaning of the Hazardous Products Act (Canada) and the Controlled Products Regulations made under that Act, in respect of Products offered for sale by Acklands-Grainger. The MSDS in question conform with the requirements of

provincial occupational health and safety legislation which regulates "hazardous material" and the applicable Workplace Hazardous Materials Information Systems Regulations made thereunder. Such MSDS are available at your local Acklands-Grainger branch and will be provided to the Buyer of any such Product at the time of sale. The information and recommendations contained in the applicable MSDS supplied/prepared by the manufacturer are considered to be accurate and reliable. However, Acklands-Grainger makes no warranty with respect to the accuracy or reliability of the information or the suitability of the recommendations. Acklands-Grainger disclaims any and all liability to any user thereof.

Cross-Reference Information

Product cross-reference comparisons do not imply that all products compared are available, or in the case of functional equivalency, that past performance and other characteristics are comparable. For critical applications, review specifications prior to purchase.

Manufacturers' Warranties and Sales Literature

Most of the Products listed in Acklands-Grainger's catalogues are warranted to the end users by their manufacturer. As applicable, such warranties may supersede or exclude other stated warranties. Copies of such warranties are supplied with the Product or are available from the manufacturer. As a service, Acklands-Grainger will obtain copies of warranties from the warrantor and will furnish them free of charge to customers who request them. Address requests to: 90 West Beaver Creek Road, Richmond Hill, Ontario L4B 1E7. Requests must include the Acklands-Grainger order number and the manufacturer and model number of each Product for which a copy of the warranty is requested. Acklands-Grainger may also furnish sales brochures and other literature of the manufacturer. Acklands-Grainger assumes no responsibility for such warranties or sales literature by performing this service.

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- Do your warranties cover all products, parts, and labor?
All warranties cover all products/equipment parts. Grainger North America doesn't provide labor, unless manufacturer's warranty covers labor.
 - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
Grainger North America shall have no liability for, and expressly disclaims any warranty, express or implied, including (i) the implied warranties of merchantability and fitness for a particular purpose and (ii) any warranty or affirmation of fact related to misuse, improper selection, recommendation, or misapplication of any product.
 - Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
This is not applicable because Grainger North America is a distributor, not a manufacturer, and therefore does not have technicians on staff that perform warranty work on products sold.
 - Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?
Grainger North America, as nationwide distributors of Maintenance, Repair and Operations products, generally will not be the manufacturer and service provider for the majority of the products offered pursuant to the awarded contract. Upon request, the manufacturer of a given product will address the geographic availability of a warranty repair technician.
 - Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
Many of the Products listed in Grainger North America's General Catalogs are warranted by the manufacturer to the final user. Upon request by Buyer, as a service for the Term of this Agreement, Grainger North America will obtain copies of manufacturers' consumer warranties and will furnish them free of charge to Buyer. Such requests must include the Grainger's stock number and the manufacturer's model number (if shown) of each Product for which a copy of the warranty is requested. Grainger may also furnish sales brochures and other literature of the manufacturer. Grainger North America assumes no responsibility for the content or coverage contained in any manufacturer's warranty or sales literature by providing this service.

- What are your proposed exchange and return programs and policies?

Grainger US Exchange and Return Policy: Returns for Grainger catalog products can be made up to one (1) year from the date of purchase. Returned product must be in original packaging, unused, undamaged and in saleable condition. Proof of purchase is required. Grainger will either replace the product or issue a credit for the purchase price.

Grainger Canadian Exchange and Return Policy: Any cancellation or return must be approved by Acklands-Grainger (at its discretion), be accompanied by proof of purchase, and may be subject to restocking or other charges. Any returns due to shipping errors, damage or loss must be reported to Acklands-Grainger immediately. For returns not related to damage or loss during shipping, product must be returned within 30 days of shipment and be in original package and re-saleable condition. Returns can be made to Acklands-Grainger; however, Acklands-Grainger will only accept returns on products purchased through Acklands-Grainger. Returns of custom sourced products may not be permitted.

- 6) Describe any service contract options for the items included in your proposal (“on call”, retainer, etc.).

In addition to our product line offering, Grainger North America offers select service contracts either directly or via our supplier/manufacturer network, in support of our product offering. Grainger North America will work with Members to review and assess which service opportunity is best suited to satisfy the Member’s operational needs.

Pricing, Delivery, Audits, and Administrative Fee

- 7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

Grainger’s proposal encompasses its entire catalog of 1.7 million MRO products and services and the expertise of Grainger employees. It captures the routine to specialized MRO product or service; it is supplemented by sourcing proficiency. Products categories include: material handling equipment, safety and security supplies, lighting and electrical products, power and hand tools, HVAC equipment, garden tools and equipment, pumps and plumbing supplies, cleaning and maintenance supplies, metalworking tools and the remainder of Grainger’s catalog offering.

Services include inventory management solutions, installation, assembly, consulting services and other relevant offerings. The offering evolves continually to meet changing customer requirements. Our technical expertise assists agency operations and compliance responsibilities. Grainger’s proposal is as much in providing quality MRO product and services as being a meaningful resource to drive agency productivity. We will assist members in the large and small emergency incident, where our pricing remains as provided in our contract..

- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Grainger North America’s pricing model for Sourcewell Members is robust and multi-faceted, offering numerous cost savings opportunities:

- **Category Discounts**
- **North American Market Basket**
- **Member Market Basket**
- **General Catalog Discounts**
- **Large Order And Volume Discounts**
- **Customer Specific Pricing (CSP)**

Category Discounts: Our North American offer encompasses significant discounting across 21 MRO categories. These category discounts are applied to Grainger North America's Contract Reference Price (CRP). Introduced in 2017, CRP is the new product pricing basis for contract customers. CRP is market-based and lower than our historic List Price and thus makes more products attractively priced and simplifies the purchasing process. CRP is stable and only subject to change three times per year. Because CRP is lower than Grainger North America's prior List Price, contract category discounts are also lower. It is therefore important to compare the "final" product prices, as a larger discount percentage offered by a competitor may not yield a lower final product price.

For Sourcewell Members, CRP is found on Grainger.com and Acklands-Grainger.com when Members log into their account. The CRP at the time of purchase will be the price to which any contract discounts will be applied. The offered category discounts are fixed through the life of the contract across 21 MRO categories.

Grainger North America Proposed MRO Category Discounts:

Sourcewell MRO Categories (US & Canada)	CRP Discount
Air Filters	40%
Batteries	19%
Cleaning Equipment & Supplies	22%
Electrical Supplies	23%
Fasteners	30%
HVAC Supplies	17%
Lab Supplies	15%
Lighting/Lamps/Ballast	22%
Lubricants, Adhesives, Sealants & Tape	10%
Material Handling, Storage & Packaging	15%
Measuring Tools & Test Instruments	6%
Motors & Power Transmission	19%
Outdoor Equipment	12%
Paint	10%
Plumbing	20%
Pumps & Pneumatics	6%
Safety	19%
Security	15%
Hand Tools	14%
Power Tools	11%
Welding, Machining & Cutting	10%

North American Market Basket: Grainger North America, through decades of serving government customers, has captured purchasing data reflecting current and relevant product needs to compile its Market Basket offer. Grainger North America presents the attached North American Market Basket to all US and Canada Sourcewell Members. The offer is comprised of the highest volume and most frequently purchased products by a broad mix of government agencies.

Grainger North America analyzed usage and procurement data from its largest states, provinces, education and non-profit customers from across North America and combined it with all Sourcewell Member prior 12 month purchasing analytics. Data points such as the number of times an item was purchased, when and how often, how

many individual agencies purchased the item, including those items added into an inventory management solution, were scrutinized to prepare the Market Basket.

The North American Market Basket pricing is aggressive and will be held firm for 12 months.

Additionally, product identified in our proposed Market Basket represents an intentional effort to include a significant number of items identified as:

- Sustainable and Green Certified
- Grainger Choice or “house brand” lower cost substitutes
- Safety focused products

To keep the Market Basket meaningful throughout the life of this contract, Grainger North America will evaluate the product selection and update it each year to ensure relevant product selections.

Member Market Baskets: In addition to the Grainger North America Market Basket, we offer the ability for each Member to create a custom market basket of up to 250 items. To drive additional cost savings while enhancing procurement stability, Members can select a custom market basket consisting of products the individual Member most frequently procures. The Grainger North America Sales team will work with Member’s seeking to consolidate, standardize and to identify a product list and price.

General Catalog Discounting: Grainger recognizes the operational importance to provide members access to MRO items that fall outside the market basket which may not be aligned to a category. **North America Grainger provides a 5% discount off of CRP on products that fall outside market baskets and defined category discounts.**

Large Order and Volume Discounts: Grainger has years of experience working with Sourcewell Members on individual projects and discounted pricing. Grainger North America will continue to work with Sourcewell Members to leverage additional discounts for large, single orders, based on size and scope.

Customer Specific Pricing (CSP): Grainger North America recognizes the importance of providing Members with relevant pricing for specific products in special circumstances. Deeper discounted pricing can be sought in the form of Customer Specific Pricing (CSP) as it relates to specific opportunities.

Grainger North America reserves the right to adjust pricing to reflect market conditions, as provided in Section 11 (Sourcewell’s Vendor Price & Product Change Form, referenced in RFP #121218). These adjustments may include unforeseen significant increases in supplier’s costs resulting from changes in laws or regulations, impositions of tariffs, currency fluctuations, increases in commodity prices, or other changes in conditions not reasonably foreseeable to Grainger North America.

- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

The discount range in this offer **represents 5% - 60% off Grainger North America’s CRP** resulting from 21 MRO category discounts noted above in question 8, the general catalog discount, and the deep discounts applied to the market basket prices.

- 10) The pricing offered in this proposal is

- _____ a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- ✓ b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

- _____ c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- _____ d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer.



Sourcewell Incentive Program: Grainger North America proposes a **3% increased discount*** on each of the defined 21 MRO categories for the following contract year for members who:

- Purchase at least \$25,000.00 in Total Member Purchases* during the Contract Year **AND**
- Grows Total Member Purchases at least 12% over the preceding Contract Year

Sourcewell MRO Categories (US & Canada)	Current CRP Discount	Sourcewell Incentive Program CRP Discount
Air Filters	40%	43%
Batteries	19%	22%
Cleaning Equipment & Supplies	22%	25%
Electrical Supplies	23%	26%
Fasteners	30%	33%
HVAC Supplies	17%	20%
Lab Supplies	15%	18%
Lighting/Lamps/Ballast	22%	25%
Lubricants, Adhesives, Sealants & Tape	10%	13%
Material Handling, Storage & Packaging	15%	18%
Measuring Tools & Test Instruments	6%	9%
Motors & Power Transmission	19%	22%
Outdoor Equipment	12%	15%
Paint	10%	13%
Plumbing	20%	23%
Pumps & Pneumatics	6%	9%
Safety	19%	22%
Security	15%	18%
Hand Tools	14%	17%
Power Tools	11%	14%
Welding, Machining & Cutting	10%	13%

Sourcewell Incentive Program Example:

Prior Year Contract Purchases:
\$80,000.00

Current Year Contract Purchases:
\$93,000.00

- ✓ Total purchases **more than \$25,000.00**
- ✓ Member purchases **increased at least 12% over previous year** (\$13,000.00 over prior year = 16% growth)

Incentive Earned – category discounts increase 3% for the next Contract Year.

Sourcewell Plus Program: Grainger North America may propose a Sourcewell Plus Program and creation of a custom incentive and rebate program, defined through a participating addendum and approved by Sourcewell.

* **"Total Member Purchases"** refers to the net invoice price of the Product purchased by Member under the Sourcewell Agreements, less freight, taxes, returned Products and credits during each contract year for which a

Rebate or Incentive is being actively calculated and paid. Purchases made through Grainger's Distributor Alliance Program vendors aligned to Member's account and receiving Sourcewell Agreement pricing will also be included in Total Purchases.

**The increase in Category Discount will be automatically applied to all 21 defined MRO Grainger North America categories (excluding the general catalog discount), commencing 60 days after contract period ends for a duration of 12 months. For those Sourcewell Members with no prior purchase history with North America Grainger, the cost savings incentive will be offered upon the achievement of at least \$25,000.00 in Qualifying Purchases during the applicable Contract Year.*

- 12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Grainger North America's Sourcing Team procures facilities maintenance products and services beyond the Grainger catalog. With access to more than 5 million products and more than 15,000 suppliers, this team provides a total cost solution for acquiring infrequent and low demand items. Grainger North America has business relationships with manufacturers critical to Member operations.

- 13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

Grainger North America includes all costs associated with product and product related services purchased by our customers in our pricing submittal. Our pricing is transparent. The price quoted or invoiced is the total cost of acquisition for the product and/or product related service to be paid by the customer.

- 14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

Grainger North America offers the Sourcewell Member pre-paid freight on standard ground shipments. Title transfers to Sourcewell Members at time of delivery, FOB Destination. Other terms and fees may apply for shipment of export orders and orders placed for Sourced Products. Charges and fees incurred for additional services, such as expedited delivery, carrier or special handling by the carrier, air freight, freight collect, export orders, hazardous materials, customer's carrier, shipments originating within the U.S. and shipping outside the contiguous U.S.; shipments originating in Canada and shipping outside Canada, will be paid by Member. There are no additional charges for travel.

- 15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Grainger North America offers the Sourcewell Member pre-paid freight on all standard ground shipments originating in Canada and shipping in Canada. Alaska and Hawaii also receive pre-paid freight on standard ground shipments. Sourced products may have other terms or fees that apply for shipment of product in Canada, Alaska and Hawaii, as well as export orders. Charges and fees incurred for additional services, such as expedited delivery, carrier or special handling by the carrier, air freight, freight collect, export orders, hazardous materials, customer's carrier, or other special handling by the carrier, will be paid by Member.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

Grainger North America's advanced technology and multiple distribution channels delivers product to Members where and when they need it. The unique combination of broad on-hand inventory strategically located across North America in distribution centers and branches provides unrivaled product availability:

- **On-hand Inventory** \$1.5 billion and more than 1.7M products

- **Technology Investment and Supply Chain Expertise** that forecasts Member needs to ensure product availability by locating inventory near the Member throughout the distribution network
- Product ordered by 4PM, **95% of customers receive next day**

Grainger North America provides the best combination of product selection, depth of inventory locally available, speed of delivery and ordering simplicity through a **network of 280 branches and 17 distribution centers** across North America. Throughout Grainger's network, we carry **over \$1.5 billion in inventory on hand every day** provided by over 7,600 Grainger North America supplier and manufacturer agreements.



99.6% of in-stock products ship within 24 hours from Grainger's North American network of distribution centers.






Inventory Management

A critical facet of distribution and delivery is anticipating and understanding Member needs. Inventory Management is a unique delivery solution moving high usage items close to point of use and maintaining critical product availability. Through its KeepStock® Program, Grainger North America provides multiple inventory management solutions reducing Member's total cost of inventory ownership. Effective inventory management reduces on-hand inventory, improves purchasing efficiencies, and ensures availability of critical product all while providing secure and efficient access.

Grainger North America's KeepStock® portfolio of inventory management solutions help Members manage their inventory and reduce costs. Beyond industry-standard vending machines, Grainger North America's portfolio provides both customer-managed (CMI) and Grainger vendor-managed (VMI) inventory options, including vending. Solutions range from simple to complex serving Member needs and can be combined within their facility to provide a custom service. KeepStock® can be integrated with Member purchasing systems or connected with Grainger.com. or Acklands-Grainger.com.

◀ Vendor Managed Inventory (VMI) Solutions

KeepStock® Vending: Grainger offers a variety of KeepStock® Secure vending machines to include Coil, Carousel, Lockers, Cabinets and Drawers. Each machine is customized and configured for Member needs and supplies requirement:

Grainger Keepstock Secure Vending Machines				
				
COIL	CAROUSEL	LOCKER	CABINET	DRAWER
<ul style="list-style-type: none"> • High security • Easy-to-use familiar style • Dispense up to 60 unique items • Dependable dispensing 	<ul style="list-style-type: none"> • High security • Accommodates products of varying sizes • Check-out/check-in option • Dispense up to 560 unique items 	<ul style="list-style-type: none"> • High to medium security • Check-out/check-in capability • Good for consumables and durables • Adjustable to accommodate larger items 	<ul style="list-style-type: none"> • Medium security • Single door/shelf access • Requires little to no product repackaging • Flexible shelf configurations to accommodate items of various sizes 	<ul style="list-style-type: none"> • Medium security • Controllable drawer access • Assemble tools by use for easy access • Various drawer configurations to accommodate items of different sizes

KeepStock® Onsite: This solution offers inventory support from a Grainger Inventory Management Specialist. This resource helps Members identify inventory needing replenishment through defined minimum/maximum inventory levels and can assist with inventory restocking. The onsite resource may assist with invoice inquiries, product returns and expediting orders.

KeepStock® Store: This solution provides a fully stocked and staffed Grainger North America branch at your location especially helpful for high-volume, high-traffic needs. Grainger North America will work with the Member to determine which items to stock and overall scope of the solution.

◀ Customer-Managed Inventory (CMI) Solutions

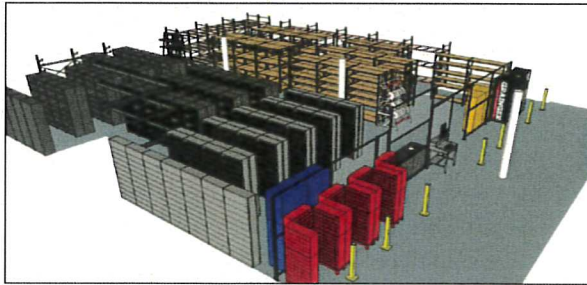
Customer-Managed Inventory (CMI) solutions let Members manage their own inventory via Grainger North America technology. KeepStock® CMI is a web-based tool that provides flexibility to manage inventory **to support your specific operations** along with seamless functionality across multiple devices. It is an easy-to-use yet very powerful software solution providing visibility, flexibility and control while managing products across different inventory locations. *Grainger offers this program for no additional charge to any Member who is interested in self-managing inventory.*

◀ Additional KeepStock® Services

KeepStock® Organize: As part of the KeepStock® portfolio, Grainger North America offers this service which focuses on inventory organization and consists of three (3) fee-based parts or phases which can be deployed together or independently.

1. **KeepStock® Layout:** Comprehensive inventory management planning, virtual layout configuration, and project planning.
2. **KeepStock® Cleanup:** This service includes labor for teardown of current storage fixtures, repositioning retained fixtures, construction of new fixtures, product movement and product positioning.
3. **KeepStock® Content:** By capturing current inventory items and their attribute elements, this service uploads data into a materials management system and may include ongoing database management.

KeepStock® Organize Layout



- Inventory deployment and storage fixture plan
- Space utilization and process flow changes
- Bin location schema and signage plan
- Optimized inventory levels leveraging Grainger logistics
- Establish optimized stocking model
- Area transition, deployment plan and materials list

Managed MRO Solutions: Grainger's Managed MRO Solution provides Members with daily onsite, expert, support services to maximize the value of Member's entire MRO inventory investment for **both Grainger and non-Grainger product**. Managed MRO is a **fee-based** service where our Inventory Specialists work at your facility to manage all indirect materials.

◀Emergency Response Inventory and Distribution

A critical element of Grainger North America's distribution capability is assisting emergency response for the small and large incident. Expeditious and quality response in real time entails internal planning and preparation. In an emergency, Grainger North America's Crisis Management Team first assesses the condition of Grainger branches and facilities to make sure they are available to distribute product. Frequently a pre-determined product list, coordinated with local emergency response agencies, is used to move supplies to the affected area. If additional products are required, Grainger North America moves products to the area from its 280 branch network and 17 regional Distribution Centers or directly from product suppliers.

A critical element in Grainger North America's expeditious response is its breadth of inventory, relationship with suppliers, capability to determine where inventory is located, and its transportation proficiency, personnel with expertise and experience and long term relationships with state, local and federal agencies.

In severe emergency situations, Grainger works with First Responders to make sure they have priority access whether from Grainger or the product manufacturers. The Crisis Management Team and Grainger on-scene leadership works with emergency management agencies and others to ensure appropriate and fair distribution.

Presented below is a summary of Grainger's recent emergency assistance:

- **California Camp & Other Fires** | October-November 2018 and October 2017: The Grainger corporate response team activated daily briefings and updates to maintain situational awareness and work collaboratively with all emergency response agencies, public and private. Throughout the Camp and other fires, Grainger provided a consolidated source for critical supplies required to keep facilities, fire crews and shelters operating. Requirements included carbon filters, air purifiers, N95 respirator masks, gloves, cots, tents, cleaning supplies and more. Affected areas were served via same day deliveries from Grainger's Patterson, CA distribution center. Grainger's transportation team assisted with expedited deliveries to emergency staging areas and shelters. Grainger field representatives were present or remained on alert status 24 hours a day over a 2 week period to support agency needs. Grainger's supply chain team monitored demand and directed product to Northern California from Grainger distribution centers and direct from its manufacturers and suppliers. Grainger teams were committed from initial support throughout response into recovery and cleanup, support is continuing.
- **Hurricane Michael Florida Panhandle and Surrounding Areas** | October 2018: Grainger's corporate response team was activated prior to the Category 4 hurricane making landfall near Mexico Beach Florida



on October 10, 2018. Product was positioned and trailers readied. Grainger employees and resources made way to the areas beginning the weekend of October 6 to assist State of Florida and all private/public entities with preparation. Grainger employees were present at the State of Florida Emergency Operations Center (EOC) in Tallahassee and local government EOC's throughout the hurricane and recovery. With several thousand residents' homes damaged or destroyed, shelters were made available. Grainger met daily needs for water, MREs, cots, blankets, toiletries, first aid equipment, medicine, sanitary and other shelter items. Grainger expedited distribution of chainsaws, insect repellent, generators, sand bags, gas cans, and related supplies. First responders throughout the area used Grainger for supplies including flashlights, batteries, reflective vests, signs, shovels, water, personal protective equipment, generators and sanitary equipment. Product was redirected from other Grainger facilities and its manufacturers and suppliers to the Florida Panhandle.

- **Hurricane Harvey, Texas** | August-2017: Supply chain teams repositioned critical supplies within the Grainger distribution network. Grainger's Dallas, TX Distribution Center, coordinated distribution throughout response and recovery operations. Grainger transportation managers expedited deliveries in coordination with state, county and local emergency offices. Grainger supplied ten truckloads of MRE's and several truckloads of bottled water to City of Houston and Harris County facilities to support evacuation shelters. Grainger also supported evacuation shelter operations in Dallas, Austin, San Antonio and other jurisdictions. Hundreds of cots, blankets, sheets, sanitary and other supplies were delivered. Grainger supplied several incident command centers with cones, barriers, canopies and other supplies. Working with the Texas Department of Public Safety and the Department of Emergency Management, Grainger delivered water rescue suits, hard hats, gloves, respirator masks. Grainger supplied the Texas Department of Transportation items including waders, rain boots, insect repellent, nets, respirators, and rain suits. Other items prioritized for first-responders included thousands of generators, electric cords, fuses, emergency lighting solutions and personal protective equipment. Product was redirected from other Grainger facilities and its manufacturers and suppliers to affected areas throughout Texas.
- **Hurricane Matthew, Eastern North Carolina** | October 2016: Grainger branches located in storm affected areas implemented disaster response plans to support federal, state and local government disaster recovery operations. A core team of Grainger professionals led by senior leadership were deployed throughout the area during the storm and afterwards to meet emergency order requirements. Grainger's Jacksonville and Greenville Distribution Centers directed additional trailers containing critical response and recovery product. Product was redirected from other Grainger facilities and its manufacturers and suppliers to Eastern North Carolina.
- **Canadian Fires** | Spring 2016: Acklands-Grainger team members faced down an unprecedented disaster in Fort McMurray. Acklands-Grainger took care of its people, its community and its customers. Follow the link to view and hear the story of how a dedicated team overcame adversity with the support of colleagues from across Canada - <http://aginet.agi.ca/agb/Lists/Posts/Post.aspx?List=bbda5707-70c9-4d34-8c90-518fb5807c54&ID=69&Source=http%3A%2F%2Faginet%2Eagi%2Eca%2Fagb%2FLists%2FPosts%2FAllPosts%2Easpx%3FInitialTabId%3DRibbon%252EListItem%26VisibilityContext%3DWSSTabPersistence&Web=f>

17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

Grainger North America takes contract compliance very seriously. Understanding the processes and related system functionality required to operationalize the terms of the contract is crucial to fully adhering and complying with all contractual provisions. Grainger North America knows this well and is experienced in ensuring its processes and systems are designed to drive contract compliance, including pricing compliance and administrative fee payments.

Grainger North America's approach includes people, processes and systems. The starting point is the Member's account number to which pricing is linked. Pricing is linked at the inception of the Sourcewell contract for previously aligned Sourcewell Members and for any new Member requesting to participate on the Sourcewell contract. We do much more to ensure that accurate contract pricing is continually delivered to Sourcewell Members. Monthly pricing reviews are performed ensuring each Sourcewell Member receives valid contract pricing. If there are any inconsistencies, we ensure adjustments are made and the Member is credited.

As a result of the pricing review and that adjustments are immediate, we provide monthly reporting and administrative payments due to Sourcewell.

- 18) Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

Grainger will provide Sourcewell with a Direct Sales Administrative Fee ("DSAF") of Two Percent (2%) on all Product Purchases, including Member's Distributor Alliance Program purchases, pursuant to an awarded contract. Qualifying purchases are those purchases made directly by an Sourcewell Member from Grainger pursuant to the awarded contract and shall include total net invoice price less freight, taxes, returned products and credits. Grainger will calculate the DSAF amount quarterly and provide the DSAF payment to Sourcewell within forty-five (45) days from the end of the quarter. Grainger will provide a quarterly DSAF report to Sourcewell within forty-five (45) days from the end of the quarter.

Industry-Specific Questions

- 19) How would being awarded a Sourcewell contract allow you to better and more efficiently serve the government, education and non-profit segments?

Sourcewell's relationship with Members and credibility across the public sector and non-profit community is vital to our work. Grainger North America values its history with Sourcewell; a contract award will allow us to implement further what we have learned.

Grainger North America's foundation is serving customers who comprehend the costs of acquisition and must meet the challenges of saving time and money. MRO stands out as an example where transaction costs, and the expense associated with maintaining inventory, quickly overtakes product cost. Our offer is driven by reducing these costs via competitive product and service pricing, just-in-time inventory and adherence to public agency compliance standards.

Our proposal, the most competitive to date, encompasses the breadth of the US and Canada catalogs, the actual inventory in distribution centers and branches and supply chain capability ensuring that products are delivered where and when needed. Our Sourcewell investment includes North America Grainger Team members that assist members find the right MRO products or services quickly. It is enhanced by sustainable products and meaningful opportunities for small businesses. North America Grainger's continuing investment in e-Commerce digital solutions and most significantly Grainger team members, make sure we remain relevant to Sourcewell members in 5 years. Our commitment is to exceed Sourcewell member expectations.

- 20) Describe the added value your company would provide to government, education and non-profit customers through a Sourcewell-awarded contract.

Grainger North America's value added attributes flow from its core commitment to a competitive, innovative, relevant and compliance focused offer to every customer, small, medium and large. It commences with

understanding the challenges each government agency faces and the critical responsibilities of public servants. We integrate competitive pricing with outstanding service of the industry's broadest MRO offering. Our value added attributes are driven by the expertise of our sales team and technical advisors and Grainger's evolving technology and supply chain logistics to ensure that products are available and delivered when needed.

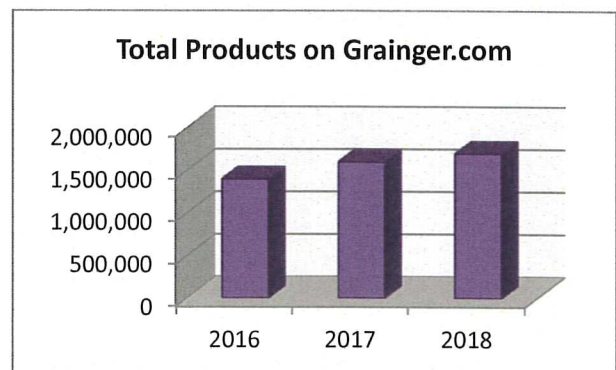
*Commitment to
Understanding
Public Agencies &
Institutions*

Grainger North America's leadership in e-Commerce and digital solutions deliver efficiencies to an agency's daily operations while maintaining compliance standards. As detailed throughout, the offering encompasses sustainable products and affords meaningful opportunities for small business. We are a dedicated partner delivering the quickest response and reliability in all emergencies, small and large. Our added values are vibrant and flexible to resonate throughout the next five years.

21) Describe any new products and services added to your portfolio within the past 18 months.

Grainger North America continually evaluates **products and services** to ensure that our offer is current and relevant. We add products and suppliers on a daily basis. During the **past 18 months we have added 312,674 products in top US categories** such as safety, hardware, electrical, and cleaning. We emphasize products and services that deliver innovation and improve efficiency for our customers.

Grainger North America continues to expand our service offerings in areas such as inventory management, energy utilization, facility maintenance, safety training and assessments, turnkey furniture installation, product sourcing, online resources and accredited calibration services to compliment the depth of our product offering.



22) Please describe any product training, consulting or instruction that you offer, including the programs, the related costs and the benefits?



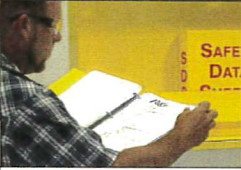

As we noted in Form A, question 27, Grainger offers extensive product training, consulting and instruction and programs which we reiterate below. These expansive solutions, fee and non-fee based, apply to both industry specific and value-add categories and deliver numerous benefits.

Grainger will assist Members in working with manufacturers, suppliers and third party installers, as to product, equipment, maintenance and related training programs. These programs include manufacturer-certified set up, product installation, post-installation services and maintenance services. Provided below is Grainger's current core list of value added fee and non-fee MRO related solutions. Not all services may be available in Canada. Services provided by third-party providers may be subject to a fee agreement between Grainger and the provider.

Grainger's offerings of value added support services of products or equipment include:

- Grainger's network of installers provides turnkey and/or labor-only fixed fee installation and support services.
- Turnkey service offerings include materials, labor, recycling, rebate administration and tax deduction documentation, if applicable.
- Currently Grainger has identified 65 companies that have satisfied our vetting process. All companies used by Grainger are licensed, insured, qualified and capable of performing in accordance with Member service requirements.

◀ Safety Services

Assessments	Training	Compliance & Testing	Program & Procedure Development
 <p>Assessments - Specific areas are assessed across the worksite in order to identify potential hazards or high-risk areas that may require further actions be taken to remedy.</p> <ul style="list-style-type: none"> • AED Inspection • Arc Flash/Electrical Safety • Confined Space • Crane/Hoist/Sling • Emergency Eye Wash • Ergonomics • Fire Extinguisher • Firestop: Barrier • Damper & Door • Footwear • Job Hazard Analysis • Lockout/Tagout • Machine Guarding • Noise Survey 	 <p>Training - We offer a wide range of EHS training courses your employees need to help them effectively perform their jobs safely. Training offerings are available through an online experience or through an on-site instructor.</p> <ul style="list-style-type: none"> • AED Inspection • Active Shooter • Aerial Lift • Competent Person • Confined Space • Fire Extinguisher • First Aid/CPR/AED • Forklift • Lockout/Tagout • Machine Guarding • NFPA 70E • Respirator 	 <p>Compliance & Testing - Audits or tests are conducted for identification and/or to monitor hazardous work areas so that controls and safe work practices can be implemented.</p> <ul style="list-style-type: none"> • Asbestos • Audiometric Testing • Indoor Air Quality • Industrial Hygiene Sampling • Fit testing • Noise Surveys • Pulmonary Function Testing • Sampling • Silica Testing 	 <p>Program & Procedure Development - Effective programs and procedures help ensure compliance and create a safe workplace for your employees. These programs are developed so that your business operations can be conducted safely, and are provided through online templates or custom on-site development.</p> <ul style="list-style-type: none"> • Arc Flash/Electrical Safety • Confined Space • Emergency Action Plans • Environmental Safety Hazards • Food Safety • Inspection and Asset Management • Footwear/Benefit Management • Lockout/Tagout • Machine Guarding • Medical First Aid • Online Safety Manager • SDS Management

Grainger's Managed Footwear Program allows employees to order shoes through four different methods.

5. **Online Safety Footwear Program:** Administer footwear programs and purchase online with our easy to use web interface programs
6. **Shoemobile:** Grainger US Shoemobiles drive to your facility to service employee footwear needs, display over 100 footwear styles and stock 2,000 pairs to allow your employees to receive shoes during a visit.
7. **Grainger Footwear Centers:** Select Grainger branch locations across the US stock the latest footwear comfort technologies.
8. **Onsite Safety Footwear Center:** Company-approved inventory and displays located within Member US facilities make it convenient for your employees to purchase safety footwear.

**Benefits
Management
System**

Footwear Program Solutions

Online
Program

Shoemobile

Grainger
Footwear
Center

Onsite
Center

Benefit Management System (BMS): Grainger's BMS tracks Member purchases to provide customized reporting and tracking for Members engaged in a company/entity footwear program, including reporting and invoicing to meet the unique needs of each Member.

Prescription Eyewear Solution - Hoya's SRx Made Easy provides a simple process for US Members to purchase prescription safety eyewear through a national network of independent eye care professionals.



Online Safety Manager

The Grainger Online Safety Manager system makes it easier than ever to manage critical workplace safety programs from your location. This online solution gives Members instant access to a set of comprehensive safety management tools and resources.

- **Save** time, money and create a safer workplace!
- **Reduce** injuries, accidents and exposure to fines
- **Manage** risk, compliance, documents and SDSs from your PC
- **Ensure** regulatory compliance and drive standardization
- **Support** your transition to GHS (Globally Harmonized System)
- Track training and results, customize curriculum
- Access to Specialized Training for OSHA, NEPA, HAZWOPER and DOT
- Management of incident and Inspections, schedule safety checks, audits and track root cause analysis
- Instant Access to Safety Data Sheets, GHS label printing
- Occupational Health instantaneous interpretation of PFT results, questionnaire for employee clearance for respirator

Safety In-Field Specialist

Grainger's Field Safety Specialists bring education, experience and expertise to help Members address a wide range of safety and health questions and issues assisting with injury reduction, compliance improvement, risk assessment, understand goals and align best-in-class solutions. Grainger North America has the depth and structure to deploy, support and track agency-wide initiatives.

Our teams' Primary accreditations conferred by the Board of Certified Safety Professionals include:

- Certified Safety Professional (CSP)
- Associate Safety Professional (ASP)
- Safety Trained Supervisor (STS)

Secondary affiliations and designations include:

- Qualified Safety Sales Professional Certification (QSSP, conferred by the International Safety Equipment Association (ISEA))
- Hazard Analysis & Critical Control Points (HACCP, Food Safety Certification)
- OSHA-30 hour and OSHA-10 hour
- OSHA 500 and 501 (General Industry and Construction Industry Trainers)
- Numerous Supplier and Manufacturer Training

Grainger Online Safety Training:

Sourcewell customers will have no-charge access to various Grainger resources such as our "On the Job Webinar Series" that relate to work environment topics.

Grainger's "On the Job Webinar Series" addresses work environment issues such as:

- Safety
- OSHA Regulations
- Productivity
- Procurement & Inventory Management
- Green Solutions
- Emergency Preparedness

◀Energy Services

The Grainger North America Energy Services team can identify and implement a wide range of efficient solutions for your agency through its network of qualified, insured and licensed service providers. Our service providers help facilitate the installation of energy-saving and water conservation measures. We help Members secure applicable incentives and rebates for energy and water-saving projects. Grainger North America offers Environmentally Preferred Product (EPP) training in collaboration with our key supplier partners.

Potential Benefits:

- Improved use of energy and water
- Reduced operating costs
- Upgraded infrastructure
- Warranties on new equipment
- Lowered operational risk
- Avoided maintenance expenses
- Reduced facility carbon footprint

Comprehensive Services*:

- Multiple energy- and water-saving solutions
- Audit and financial analysis
- Material, contractor and project management
- Installation by qualified, insured and licensed service partners
- Disposal and recycling

**Provided by third party service providers and subject to Member eligibility.*



Lighting Projects



Compressed Air System Studies and Upgrade Projects



Steam Trap System Studies and Upgrade Projects



HVAC Projects



Dust Collection System Studies and Upgrade Projects



Water Conservation Upgrade Projects



Motor and Pump Projects



Electric Vehicle Charging Station Projects

◀ Facility Services

Grainger North America has a range of services to provide Members with assistance as to roofing, skill training, electrical and protecting interior services. A summary of our 3rd party relationships follows:

- **Electrical Services:** Electrical system consultations are offered to determine the degree of present arc flash hazards and apply equipment labeling. Studies include maintenance of electrical distribution system components and mitigation solutions to lower arc flash energy or exposure.
- **Technician Skill Training Services:** Members receive safety and industrial skills development to apply on the job immediately. Training can be scheduled on-site at Member locations or off-site at scheduled locations across North America. Topics such as compliance, electrical, HVAC, and mechanical are addressed.
- **Roofing Services:** Roofing and building maintenance solutions designed to prolong structural life, track roof assets, save energy and improve safety.
 - ✓ Patch & Repair Services
 - ✓ Roofing Restoration
 - ✓ Rooftop Safety Installation
 - ✓ Roof Cleaning
 - ✓ Inspection Services
 - ✓ Preventative Maintenance Contracts
 - ✓ Air Barrier Audits
- **Indoor Coating Services:** A comprehensive portfolio of solutions is offered for preparing, priming, coating and protecting interior surfaces.



◀ Consulting

Grainger North America's Consulting Services teams analyze Member operations to increase efficiencies and lower cost associated with acquisition of MRO products and inventory management. **Based on our experience, most Members have the opportunity to take as much as 25% or more out of their costs.**

This evaluation employs a strategic framework of identified cost drivers to benchmark and provide ideal and cost effective solutions. This framework of cost drivers focuses on:

- **Process:** Grainger North America consultants can help redesign purchasing and inventory management processes to reduce complexity and cycle time while improving service levels. We offer solutions to streamline the purchasing process and automate inventory replenishment for enhanced productivity.
- **Inventory:** Inventory is a critical, expensive component of a Member's maintenance operation. Consultants provide expertise to optimize inventory levels. We work with Member resources to understand inventory demand and supply requirements, identify obsolete stock, recommend proper on-hand inventory levels and set effective reorder points for MRO items.
- **Supplier / Product:** Consultants segment, classify and analyze supplier/product usage to identify opportunities for greater leverage and incremental value.
- **Technology:** Effectively integrating electronic solutions into the MRO procurement strategies is key to enable long-term success and cost savings. Our Consultants develop strategies and implementation plans to get the most out of your electronic solutions.



◀Technical Support

Grainger provides direct technical support from knowledgeable field personnel and manufacturers' field representatives. Grainger has an in-house Technical Product Support Department whose members average 28 years of experience to answer product questions across all categories. Approximately 5,800 times a day, 102 technically trained product specialists answer questions regarding product selection, application assistance, troubleshooting, installation, product specifications, performance data/wiring diagram, and government requirements and agency approvals.

Technical Training: Grainger North America works with our General Catalog manufacturers and suppliers to align training programs with Member needs. Examples include:

- | | |
|--|---------------------------------------|
| • Proto Tools Hand Tool Safety Seminar | • Gas Detection Equipment Training |
| • Dewalt Power Tools | • Arc Flash Awareness Seminar |
| • Fire-Resistant Workwear Training | • Fuses & Power Distribution Training |
| • Fall Protection Training | • Spill Containment Training |
| • Hearing Protection & Conservation Training | • Climbing Pro Ladder Training |

23) Do you have an on-line purchasing portal? If so, please describe your online ordering process, purchase approvals/tracking, payment options, reporting and monitoring (For example, can a member track spending by staff members, can a member put limits on purchases, can a member be invoiced, etc.)

Yes, Grainger North America has an on-line purchasing portal. Grainger North America's web-based ordering system is the largest e-Retailer in the MRO industry with the most comprehensive website platform with user-friendly, customer focused, flexible web portals, mobile apps and eProcurement offerings in the industry. The solutions deliver "Easy to Find", "Easy to Use" and "Easy to Connect" procurement solutions that help Sourcewell members save time and money.

Grainger.com and AcklandsGrainger.com effectively guide Members to the products they want with dynamic search and compare capabilities, multiple shipping destinations stored, approval and workflow systems, and fast and easy check-out. Our online offerings allow users to easily search for the product(s) they need, filter search results in numerous ways and then quickly checkout utilizing default shipping and checkout options.

Product Compare

[Email](#) [Print](#)

Item #

Add

Remove All Items

Products Overview

[Remove Item](#)

Item # 5G058
DAYTON
1/2 HP General
Purpose
Motor, Capacitor
Start, 1160
Nameplate
RPM, Voltage
115/208-230, Frame
56C

Your Price ⓘ
\$178.20 / each

Qty

Add to Cart

[+ Add to list](#)[Remove Item](#)

Item # 5K262
DAYTON
1/2 HP General
Purpose
Motor, Capacitor
Start, 1725
Nameplate
RPM, Voltage
115/208-230, Frame
56C

Your Price ⓘ
\$113.40 / each

Qty

Add to Cart

[+ Add to list](#)[Remove Item](#)

Item # 5H282
DAYTON
1/2 HP General
Purpose
Motor, Capacitor
Start, 2450
Nameplate
RPM, Voltage
115/208-230, Frame
56C

Your Price ⓘ
\$114.00 / each

Qty

Add to Cart

[+ Add to list](#)[Remove Item](#)

Item # 5G057
DAYTON
1/2 HP General
Purpose
Motor, Capacitor
Start, 1725
Nameplate
RPM, Voltage
115/208-230, Frame
56C

Your Price ⓘ
\$144.60 / each

Qty

Add to Cart

[+ Add to list](#)[Remove Item](#)

Item # 25J758
WEST
1/2 HP General
Purpose
Motor, 2-Phase, 1160
Nameplate
RPM, Voltage 200-
230/650, Frame 56

Your Price ⓘ
\$115.80 / each

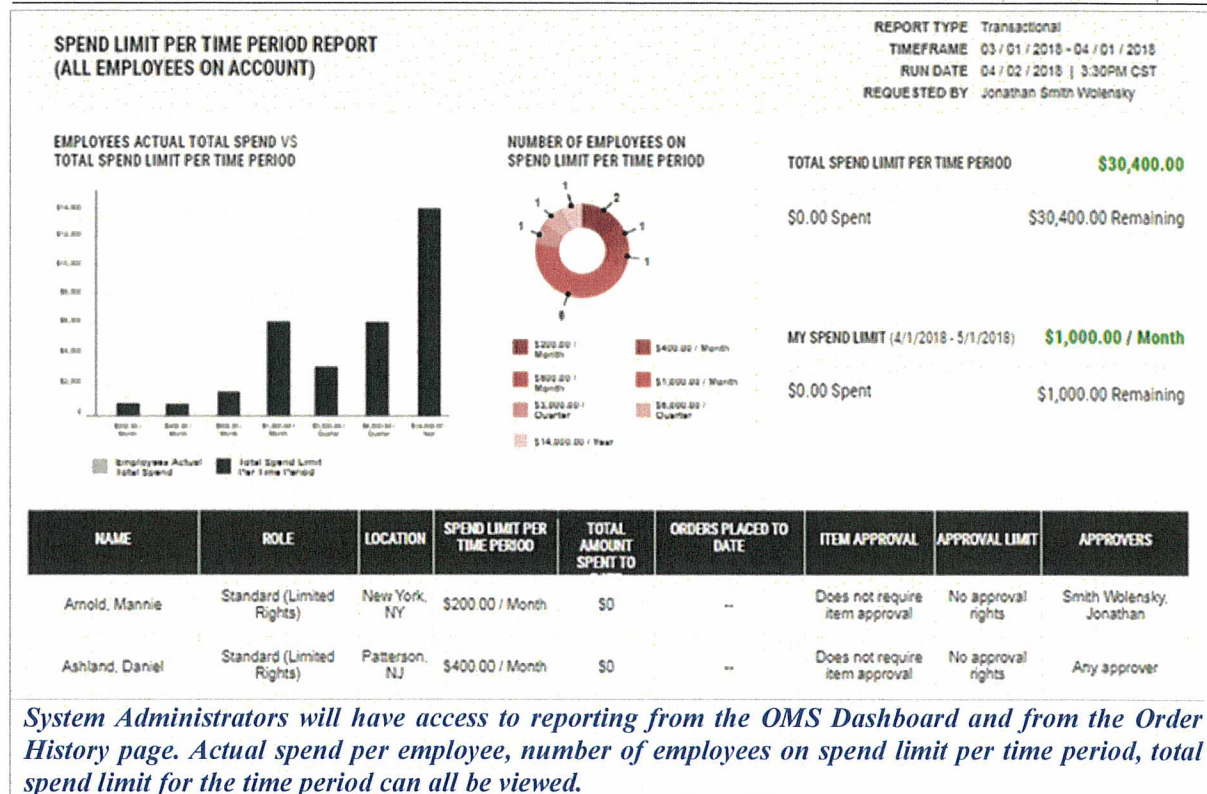
Qty

Add to Cart

[+ Add to list](#)**Approvals and Budgeting (Budgeting – Grainger US only currently)**

Grainger's Order Management System (OMS) on Grainger.com, allows Sourcewell Members to manage spend through spend limits, order approvals and budgets. Grainger has a support team in place to help create user IDs and building the approval workflows. The OMS system allows an administrator to configure spend limits and/or approval limits per user and establish a default approver for each user.

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Payment Options

Grainger provides several payment options within the online buying experience. Users can add credit card options, purchase on account, or select to pay upon pickup at the local branch. Grainger US solution provides an opportunity to set default payment options.

Order History Reporting and Download Feature

Grainger North America's self-serve site allows users to view all orders placed as well as order status, delivery times, logs for approval, workflow actions taken, and to download invoices if copies are required. Buyers can use the tool for easy re-ordering of previously purchased items and payment of invoices.

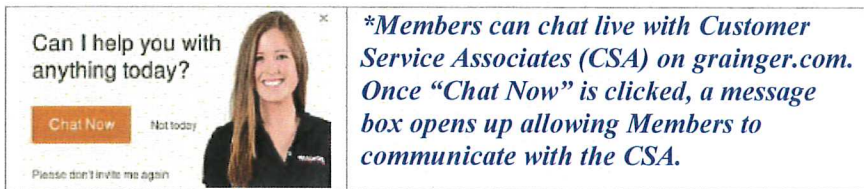
Users, who have Administrator access, have the ability to download a configurable order history report into an Excel, text, or XML format. This will aid in management's ability to track agency spend and user activity.

Additional Features

In addition to the above features Grainger.com users have access to the following features:

- User-friendly shopping tools to find products and prices quickly and easily
- Product specifications including item details and technical specifications
- Comprehensive product comparisons (Grainger US Only)
- SDS sheets (formerly MSDS)
- Contract pricing with Contract Reference Price
- Real-time product availability
- Private and shared item lists for easy reordering
- Auto-reorder capabilities (Grainger US Only)
- Online special order and catalog item quotes (Grainger US Only)
- Customizable order and line level data fields (Grainger US only)
- Invoice copies and payment options

- Account default management including payment and shipping options
- Online Help with Click to Chat (Grainger US Only)*
- Online Chat triggered by behavior (Acklands-Grainger only)



24) Please rank the top 3 market segments where your company provides products & services:

- a) Facilities MRO (Maintenance Repair & Operations)
- b) Industrial Supplies
- c) Tools & Equipment/Accessories
- d) Electrical Power Transmission & Supplies
- e) Mechanical Power Transmission
- f) Pneumatics/ Fluid Power
- g) Electrical and Lighting Products & Services
- h) Plumbing Supplies & Waterworks
- i) Construction & Building Supplies

Facilities MRO, Electrical and Lighting Products & Services and Industrial Supplies are likely our top 3 segments as noted on the list. Grainger's strategy is to distribute the broadest line of MRO products and service categories and anything related to small, medium and large commercial, government and institutional customers. Critical to our approach is an offering of scale and breadth encompassing each segment noted. We compete directly and emphatically with specialized distributors and manufacturers in power and mechanical transmission, pneumatics, electrical, lighting, plumbing, and facilities maintenance. We offer extensive product choice in the construction and building supply segment; we do not generally offer lumber, brick, stone or gravel. Grainger's sourcing reach is in further support of the strategy to provide comprehensive choice across all categories.

Our experience is that while prominent purchases are found in a particular segment such as Facilities MRO, Electrical and Lighting Products & Services and Industrial Supplies, Grainger North America's offering is spread across all categories. This strategy is built around customers that examine the acquisition process and quantify values, particularly price, time and compliance. We purposely pursue customers who understand the total costs of acquisition and maintaining inventory and embrace meaningful effort to control it. Individual bidding, trips outside the workplace to purchase, inadequate records and compliance and inefficient return and credit processes have identifiable and huge costs. In offering broad choice across all categories, our goal is to exceed the expectation throughout an organization- from purchasing to end user to audit/compliance.

25) Describe your market share, depth, and breadth of products and services offered within each of the following categories you currently provide to your government, education & non-profit customers:

- a) Facilities MRO (Maintenance Repair & Operations)
- b) Industrial Supplies
- c) Tools & Equipment/Accessories
- d) Electrical Power Transmission & Supplies
- e) Mechanical Power Transmission
- f) Pneumatics/ Fluid Power
- g) Electrical and Lighting Products & Services
- h) Plumbing Supplies & Waterworks
- i) Construction & Building Supplies

Grainger estimates the US market for MRO products to be approximately \$127 billion in 2017, of which our US business share is approximately 6%. Canada's market for MRO products was approximately \$11 billion, of which our Canada business share is approximately 7%. Our experience in the government sector is that our market share is slightly higher, in some jurisdictions approaching 10% and beyond where supply chain expertise and efficiencies are critical to provide product and services across long distances. In the government, education and non-profit sectors we deliver broad scale and deep depth across all product and service categories. Our objective is to meet all agency MRO requirements.

Grainger's 1.7 million products and services are purchased by government, education and non-profit customers similar to Sourcewell members daily. Our customers in this sector have access to more than 9,700 motors (DC, HVAC, pump, AC definitive purpose and general) and the replacement parts and supplies associated with each. Our waterworks offering serves public and private utilities, reservoirs, filtering plants, irrigation systems and sewer and treatment facilities throughout North America. The electric and lighting offering includes 651 ballasts, 3,600 bulbs and lamps, 4,600 fixtures and the parallel replacement parts. In the printed catalog, Grainger's industrial safety product line approaches 1,000 pages. In each category Sourcewell references, products are in-stock and ready to ship to arrive the next day. Grainger's manufacturers and supplier relationships and supply chain capability assures that product arrives where and when it is needed, particularly in emergency circumstances. The offering evolves continually to meet changing customer requirements.

We provide these products through Grainger sales representatives, catalogs, eCommerce, inventory management and local branches. This combination of product breadth, local availability, speed of delivery, detailed product information and competitively priced products and services applies across all categories. Our technical expertise assists customer purchasing decisions, including advice to improve agency operations. Grainger compliance protocols reflect the standards associated with government agencies. The breadth of our product and service line, and the expertise of Grainger employees, is the foundation of our proposal to Sourcewell members in the government, education and non-profit sectors



Signature: _____

Date: 12/06/2018

AMENDMENT #1 TO CONTRACT #121218-WWG

THIS AMENDMENT is by and between **Sourcewell** and **W. W. Grainger, Inc.** (Vendor).

Vendor was awarded a Sourcewell Contract for Facility MRO (Maintenance, Repair & Operations), Industrial & Building Supplies with Related Equipment, Accessories, Supplies & Services effective January 25, 2019, through January 25, 2023, relating to the provision of services by Vendor and to Sourcewell and its Members (Original Agreement).

The parties agree that certain terms within the Original Agreement will be updated and amended and only to the extent as hereunder provided.

IN CONSIDERATION OF the mutual covenants and agreements described in this Amendment, the parties agree as follows:

1. This Amendment is effective upon the date of the last signature below.
2. Form P – Pricing, Delivery, Audits, and Administrative Fee, Question #18 in the Vendor's Response to the above-mentioned Request for Proposal is omitted and replaced with the following:

RESPONSE: Grainger will provide Sourcewell with a Direct Sales Administrative Fee ("DSAF") of Two Percent (2%) on all Product Purchases pursuant to an awarded contract. Grainger will provide Sourcewell with a Direct Sales Administrative Fee ("DSAF") of One Percent (1%) on all Member's Distributor Alliance Program purchases, pursuant to an awarded contract. Member utilization of Grainger's small business Distributor Alliance Program must first be documented by Grainger in a Statement of Work specific to each Member. Grainger will provide Sourcewell with a Direct Sales Administrative Fee ("DSAF") of One Percent (1%) on all Plus Program Member's Product Purchases, pursuant to an awarded contract.

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Except as amended by this Amendment, the Original Agreement remains in full force and effect.

Sourcewell

By: Jeremy Schwartz
Authorized Signature C0FD2A139D06489...

Jeremy Schwartz
Name – Printed

Title: Director of Operations & Procurement/CPO

Date: 6/3/2020 | 2:31 PM CDT

W. W. Grainger, Inc.

By: Andy Darpino
Authorized Signature 3BBF641440834D9...

Andy Darpino
Name – Printed

Title: Sr. Government Sales Mgr.

Date: 6/3/2020 | 1:15 PM CDT

Sourcewell–APPROVED:

By: Chad Coauette
Authorized Signature 7E42B8F817A64CC...

Chad Coauette
Name – Printed

Title: Executive Director/CEO

Date: 6/3/2020 | 2:46 PM CDT