City and County of San Francisco
Daniel Lurie, Mayor

Office of the City Administrator
Carmen Chu, City Administrator
Sailaja Kurella, Director
Office of Contract Administration/Purchasing

DATE: July 17, 2026

TO: Angela Calvillo, Clerk of the Board

FROM: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser

SUBJECT: Request for Board Approval – Amendment No. 2 to Contract PeopleSoft ID 1000030247 (TC74106D) with Sid Tool Co., Inc. dba MSC Industrial Supply Company, Inc.

Background

The Office of Contract Administration (OCA), on behalf of tall City departments, is submitting for Board approval Amendment No. 2 to Contract 1000030247 (TC74106D) with Sid Tool Co., Inc. dba MSC Industrial Supply Company, Inc. (MSC) for the purchase and delivery of As-Needed Citywide Contract for Industrial Supplies. The original agreement was competitively procured through a Request for Proposals (RFP) by Sourcewell, a State of Minnesota local government unit and service cooperative that conducts solicitations for commonly used goods and services on behalf of state and local governments located in the United States and Canada issued on July 27, 2022. MSC was awarded a contract based on best overall value and pricing.

Summary of Amendment

The original agreement was executed with a not-to-exceed (NTE) amount of $7,000,000. Amendment 1 increased the NTE amount to $9,500,000 and updated contract terms. This amendment, Amendment No. 2 increases the Agreement's not-to-exceed (NTE) amount from $9,500,000 to $17,100,000. All other terms and conditions of the Agreement remain unchanged. Additional contract expenditure authority is needed to support essential operational industrial supplies, including material handling equipment, tools, electrical and plumbing supplies, HVAC components, safety equipment, and related goods required for citywide departmental operations. The Agreement term remains the same, continuing through November 8, 2028.

Usage by Department through July 2026

Department	Sum of Approved Purchase Orders
ADM	$ 95,975
AIR	$ 1,480,808
DEM	$ 69,085
DPH	$ 51,919
DPW	$ 2,714,902
FIR	$ 6,070
HOM	$ 6,601
HSA	$ 257
LIB	$ 16,406
MTA	$ 447,004
PRT	$ 636,729
PUC	$ 2,366,910
Grand Total	**$ 7,892,665**

Justification
City departments continue to rely on MSC for critical, operational industrial supplies, including material handling equipment, tools, electrical supplies, plumbing, HVAC components, safety equipment, and related industrial goods.

Procurement volume under this Agreement has grown significantly due to:

- Increase in operational demands across multiple departments
- Citywide facility maintenance and health-and-safety needs
- Reliance on MSC's high-volume discounts and rapid delivery performance

Recommendation
OCA recommends that the Board of Supervisors approve Amendment No. 2 to Contract 1000030247 to increase the NTE amount to $17,100,000. Approval will ensure uninterrupted supply of essential as-needed Industrial Supplies to maintain continuity of operations at all City facilities.

Enclosures
- Proposed Resolution for Amendment 2
- Proposed OCA Amendment No. 2
- Original Contract
- Amendment 1
- S.F. Ethics Commission Form 126f4, Notification of Contract Approval

If you have any questions or require additional information, please contact Wil Alderman at 628-652-1647 or wil.alderman@sfgov.org.