



CITY COUNCIL COMMUNICATION

December 8, 2009

SUBJECT: Consideration of Approval to Enter Into A Cooperative Purchasing Agreement with the National Intergovernmental Purchasing Alliance (National IPA)

SUBMITTED BY: Michael Lowry, Purchasing Manager

REFERENCE NO:

ACTION REQUESTED:

Approval to Enter Into A Cooperative Purchasing Agreement with the National Intergovernmental Purchasing Alliance (National IPA).

ALTERNATIVES:

- Do not join Cooperative

SUMMARY OF SUBJECT:

National IPA is a cooperative purchasing organization established for public agencies across the United States with the specific purpose of reducing procurement costs by leveraging group volume. It is recommended that the City Council allow the City to enter into a Cooperative Purchasing Agreement with the National Intergovernmental Purchasing Alliance (National IPA), which will enable the City to reduce procurement costs and make the most effective and efficient use of city resources. Authority is granted through the Texas Local Government Code Sec. 271.102. COOPERATIVE PURCHASING PROGRAM PARTICIPATION which allows for a local government to participate in a cooperative purchasing program with another local government or a local cooperative organization.

Participation in purchasing cooperatives is not required of government entities. However, participation by government entities can provide the legally required competition for contracts for commonly purchased items thereby saving the individual entity the cost of going through the competitive process.

In addition to the administrative savings, the city will take advantage of the lower contract prices, which were offered based on the aggregate purchasing power of many participating agencies nationwide. National IPA aggregates purchasing volume of participating public agencies across the country in order to receive larger volume discounts from suppliers. This is an optional use program with no minimum volume requirements and no membership fees to participate.

SUPPORTING DOCUMENTS:

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **SC** _____

City Secretary's Office