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**CITY COUNCIL CONSIDERATION ITEM**  
**CITY OF FAIR OAKS RANCH, TEXAS**  
**September 1, 2022**

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AGENDA TOPIC: Consideration and possible action authorizing the City Manager to execute Interlocal Agreements to allow for cooperative purchasing

DATE: September 1, 2022

DEPARTMENT: Finance

PRESENTED BY: Clayton Hoelscher, Procurement Manager

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**INTRODUCTION/BACKGROUND:**

Section 271.102 of the Texas Government Code allows local governments to enter into Cooperative Purchasing Programs with other local governments of the State or with local Cooperative Organizations. Purchasing items utilizing these methods fulfills the State's competitive requirements. These agreements offer the City another source of procuring items, but the City is not required to utilize these methods.

The first Interlocal Agreement is with the City of Helotes (**Exhibit A**) and will allow for each party to cooperatively purchase from contracts the other party has executed. Vendors awarded contracts with each party will have the option to extend the pricing included on the contract to the other party, but will not be obligated to do so. If a vendor under contract with the City of Fair Oaks Ranch or Helotes agrees to extend the pricing, the other party will execute an Agreement directly with the vendor.

Additionally, three Interlocal Agreement with Cooperative Organizations are included for consideration. The items available to purchase through these Cooperative Agreements have been competitively bid on a large scale.

The City wishes to enter into three separate Interlocal Agreements with different Cooperative Programs. These agreements are with the following organizations:

- National Cooperative Purchasing Alliance (**Exhibit B**)
- Region 8 Education Service Center (The Interlocal Purchasing System) (**Exhibit C**)
- Texas Comptroller of Public Accounts (Texas SmartBuy) (**Exhibit D**)

In addition to purchasing items, the Agreement with the Texas Comptroller of Public Accounts will also allow the City to advertise projects on the Electronic State Business Daily. This is a website hosted by the Comptroller, and allows for larger visibility when advertising our projects.

**POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:**

Entering into an Agreement with the City of Helotes and joining these Cooperative Programs gives the City options to procure items that have already been competitively bid locally and on a larger scale. The City could potentially see savings in both cost and time.

**LONGTERM FINANCIAL & BUDGETARY IMPACT:**

The only agreement with a fee is the Texas SmartBuy Program. This costs \$100 annually.

**LEGAL ANALYSIS:**

The Agreement with the City of Helotes has been reviewed by the City Attorney.

Each Cooperative Program requires their standard Interlocal Agreement be executed and submitted for membership. These agreements are included for reference.

**RECOMMENDATION/PROPOSED MOTION:**

I move to authorize the City Manager to execute Interlocal Agreements to allow for cooperative purchasing with the following parties:

- City of Helotes
- National Cooperative Purchasing Alliance
- Region 8 Education Service Center (The Interlocal Purchasing System)
- Texas Comptroller of Public Accounts (Texas SmartBuy)