

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Purchasing & Strategic Sourcing

AGENDA DATE: April 4, 2017

CONTACT PERSON/PHONE: Bruce D. Collins, Purchasing Director, 212-1181

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

Discussion and Action that paragraph 15 of the Budget Resolution for FY 2017 be amended to eliminate the not to exceed Five Hundred Thousand Dollar (\$500,000.00) cap for purchase orders that the City Manager or his designee can issue against any contract offered through the Cooperative Purchasing Network, the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program, the Texas Association of School Boards, Inc. (TASB, Inc.) Cooperative Purchasing Buy Board, the ESC-Region 19 Cooperative Purchasing Program, the Harris County Department of Education Cooperative Purchasing Program, Tarrant County Cooperative Purchasing Program, Texas Procurement and Supportive Services (TPASS), Texas Multiple Award Schedule (TXMAS and TXSmartBuy), State of Texas Department of Information Resources (DIR), U.S. Communities, Technology Bidding and Purchasing Program (PEPPM), and U.S. General Services Administration (GSA) without further City Council action.

BACKGROUND / DISCUSSION:

Requesting that City Council authorizes to amend the Budget Resolution for FY 2017 to eliminate the \$500,000.00 cap for expenditures under each Cooperative Purchasing Program listed in paragraph 15 of the Budget Resolution FY 2017 to allow the City Manager or designee to issue additional purchase orders for the remainder of FY 2017 against contracts offered through the Cooperative Purchasing Programs without further City Council action.

SELECTION SUMMARY:

N/A

PROTEST

☒ No protest received for this requirement.

COUNCIL REPRESENTATIVE BRIEFING:

Was a briefing provided? ☒ Yes or ☐ No

If yes, select the applicable districts.

- ☒ District 1
- ☒ District 2
- ☒ District 3
- ☐ District 4
- ☒ District 5

- ☒ District 6
- ☒ District 7
- ☒ District 8
- ☐ All Districts

PRIOR COUNCIL ACTION:

August 23, 2016

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____

**COUNCIL PROJECT FORM
(Resolutions)**

*******POSTING LANGUAGE BELOW*******

Please place the following item on the **REGULAR** agenda for the Council Meeting of **APRIL 4, 2017**.

STRATEGIC GOAL: NO 6: SET THE STANDARD FOR SOUND GOVERNANCE AND FISCAL MANAGEMENT

Discussion and Action that paragraph 15 of the Budget Resolution for FY 2017 be amended to eliminate the not to exceed Five Hundred Thousand Dollar (\$500,000.00) cap for purchase orders that the City Manager or his designee can issue against any contract offered through the Cooperative Purchasing Network, the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program, the Texas Association of School Boards, Inc. (TASB, Inc.) Cooperative Purchasing Buy Board, the ESC-Region 19 Cooperative Purchasing Program, the Harris County Department of Education Cooperative Purchasing Program, Tarrant County Cooperative Purchasing Program, Texas Procurement and Supportive Services (TPASS), Texas Multiple Award Schedule (TXMAS and TXSmartBuy), State of Texas Department of Information Resources (DIR), U.S. Communities, Technology Bidding and Purchasing Program (PEPPM), and U.S. General Services Administration (GSA) without further City Council action.

Department: Purchasing & Strategic Sourcing

*******ADDITIONAL INFO BELOW*******

- ☒ District 6
☒ District 7
☒ District 8
☐ All Districts

PRIOR COUNCIL ACTION:

August 23, 2016

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____

RESOLUTION

WHEREAS, the City Council adopted the Budget Resolution for FY 2017 on August 23, 2016; and

WHEREAS, paragraph 15 of the Budget Resolution for FY 2017 provides that the City Manager or his designee is authorized to issue, without further City Council action, purchase orders against any contract offered through the Cooperative Purchasing Network, the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program, the Texas Association of School Boards, Inc. (TASB, Inc.) Cooperative Purchasing Buy Board, the ESC-Region 19 Cooperative Purchasing Program, the Harris County Department of Education Cooperative Purchasing Program, Tarrant County Cooperative Purchasing Program, Texas Procurement and Supportive Services (TPASS), Texas Multiple Award Schedule (TXMAS and TXSmartBuy), State of Texas Department of Information Resources (DIR), U.S. Communities, Technology Bidding and Purchasing Program (PEPPM), and U.S. General Services Administration (GSA) ("Cooperatives Purchasing Programs") in an amount not to exceed Five Hundred Thousand Dollars (\$500,000.00) per cooperative purchasing program contract.; and

WHEREAS, the \$500,000.00 cap in the Budget Resolution FY 2017 for each of the Cooperative Purchasing Programs has been exceeded; and

WHEREAS, the City Council desires to amend the Budget Resolution for FY 2017 to eliminate the \$500,000.00 cap for expenditures under each Cooperative Purchasing Program listed in paragraph 15 of the Budget Resolution FY 2017 to allow the City Manager or designee to issue additional purchase orders for the remainder of FY 2017 against contracts offered through the Cooperative Purchasing Programs without further City Council action.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That paragraph 15 of the Budget Resolution for FY 2017 be amended to eliminate the not to exceed Five Hundred Thousand Dollar (\$500,000.00) cap for purchase orders that the City Manager or his designee can issue against any contract offered through the Cooperative Purchasing Network, the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program, the Texas Association of School Boards, Inc. (TASB, Inc.) Cooperative Purchasing Buy Board, the ESC-Region 19 Cooperative Purchasing Program, the Harris County Department of Education Cooperative Purchasing Program, Tarrant County Cooperative Purchasing Program, Texas Procurement and Supportive Services (TPASS), Texas Multiple Award Schedule (TXMAS and TXSmartBuy), State of Texas Department of Information Resources (DIR), U.S. Communities, Technology Bidding and Purchasing Program (PEPPM), and U.S. General Services Administration (GSA) without further City Council action.

(Signatures on the next page)

PASSED AND APPROVED this day of _____, 2017.

THE CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
Municipal Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Sol M. Cortez
Assistant City Attorney

Bruce D. Collins, Director
Purchasing & Strategic Sourcing Dept.



Understanding Cooperative Purchasing Programs

City Council Agenda
April 4, 2017

Presented by
Purchasing & Strategic Sourcing Department

"Delivering Outstanding Services"



Strategic Goal 6: Set the Standard for Sound Governance and Fiscal Management



Objectives

By the end of this presentation you will be able to do the following:

- Remove the cap for Cooperative Purchasing Programs
- Define the Cooperative Purchasing Program
- Identify the benefits of utilizing Cooperative Purchasing Programs
- Identify Cooperative Purchasing Programs approved by City Council
- Identify typical purchases via Cooperative Purchasing Programs
- FY2016 Spend Analysis for Cooperative Purchasing Programs
- Identify the Future Targeted Projects



Definition of Cooperative Purchasing Programs



Cooperative Purchasing Programs

Cooperatives are managed relationships where one entity will act as the lead agency by bidding and awarding contracts which can be used by other governmental and non-profit agencies that make up the membership.



Benefits of Using Cooperative Purchasing Programs



Benefits of using Cooperative Purchasing Programs

- Expedite the delivery of services and/or goods to the citizens of El Paso quicker
- Reduces staff time and the number of staff required to facilitate routine purchases
- Leveraged the cost of bulk bidding to receive lower pricing and/or best value
- Improve collaboration for Job Order Contracts
- Local businesses benefit by becoming a national supplier



Benefits for Local Businesses



"Delivering Outstanding Services"



Cooperative Purchasing Programs Approved by City Council



Cooperative Purchasing Programs Approved by City Council

- TXMAS  *2/27/07
- Department of Informational Resources (DIR)  *2/27/07
- U.S. Communities  U.S. COMMUNITIES™
GOVERNMENT PURCHASING ALLIANCE 2/27/07
- Houston-Galveston Area Council (HGAC)  *5/8/07
- National IPA formally known as The Cooperative Purchasing Network (TCPN)  *3/27/07
- TASB  *8/21/07
- Buyboard  *8/21/07
- Harris County Department of Education Cooperative Purchasing Program (HCDE)  *8/18/09
- Tarrant County *11/10/09
- Region 19  *3/04/08
- General Services Administration (GSA)  *5/03/11
- PEPPM  *12/13/11

*Approved by City Council



Typical Purchases Via Cooperative Purchasing Programs



Typical Purchases Via Cooperative Purchasing Programs

Goods	Services	Renovation and Repair
Vehicles	Security System	Library improvements
Uniforms & Apparel	Elevator Maintenance	Parks & Recreation Senior Center repairs
Computers	Building Maintenance	Playground equipment and amenities
Zoo Animals Supplies	Automotive Maintenance and Repairs	Terminal Bus Stop Enhancements
Garbage Trucks	Plumbing Services	HVAC repairs/replacement
Heavy Duty Vehicles	Pest Control Services	Painting
Electronics	Telecommunication Services	Roof Repair
Office Supplies		Building Repairs
Building Maintenance Supplies		Flooring replacement

Above is a representative sample

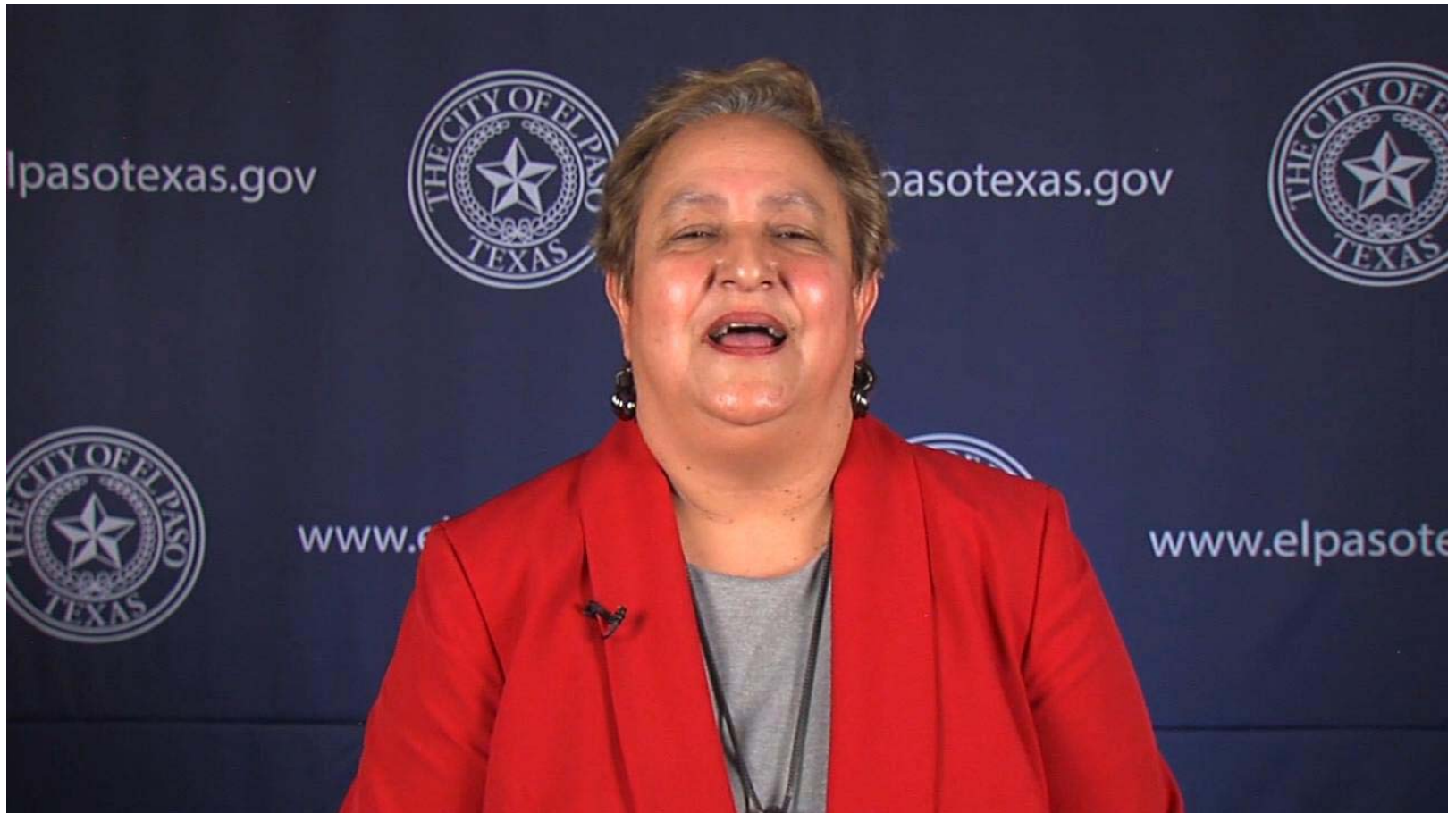
"Delivering Outstanding Services"



Testimonial
By
Teresa Gandara
President of
Pencil Cup Office Products, Inc.



Testimonials



This video is an excerpt that was presented at the 2016 Cooperative Purchasing EXPO. Use with permission.

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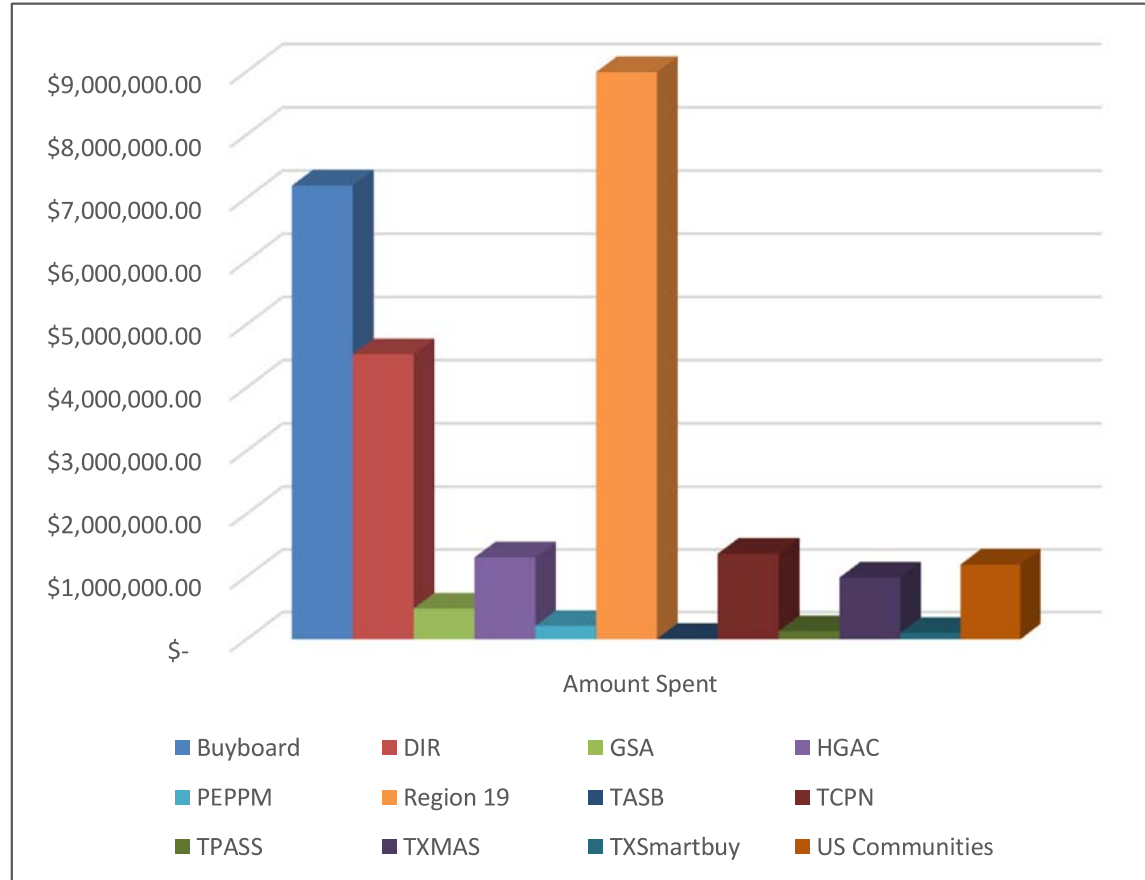
FY2016

Spend Analysis for Cooperative Purchasing Programs



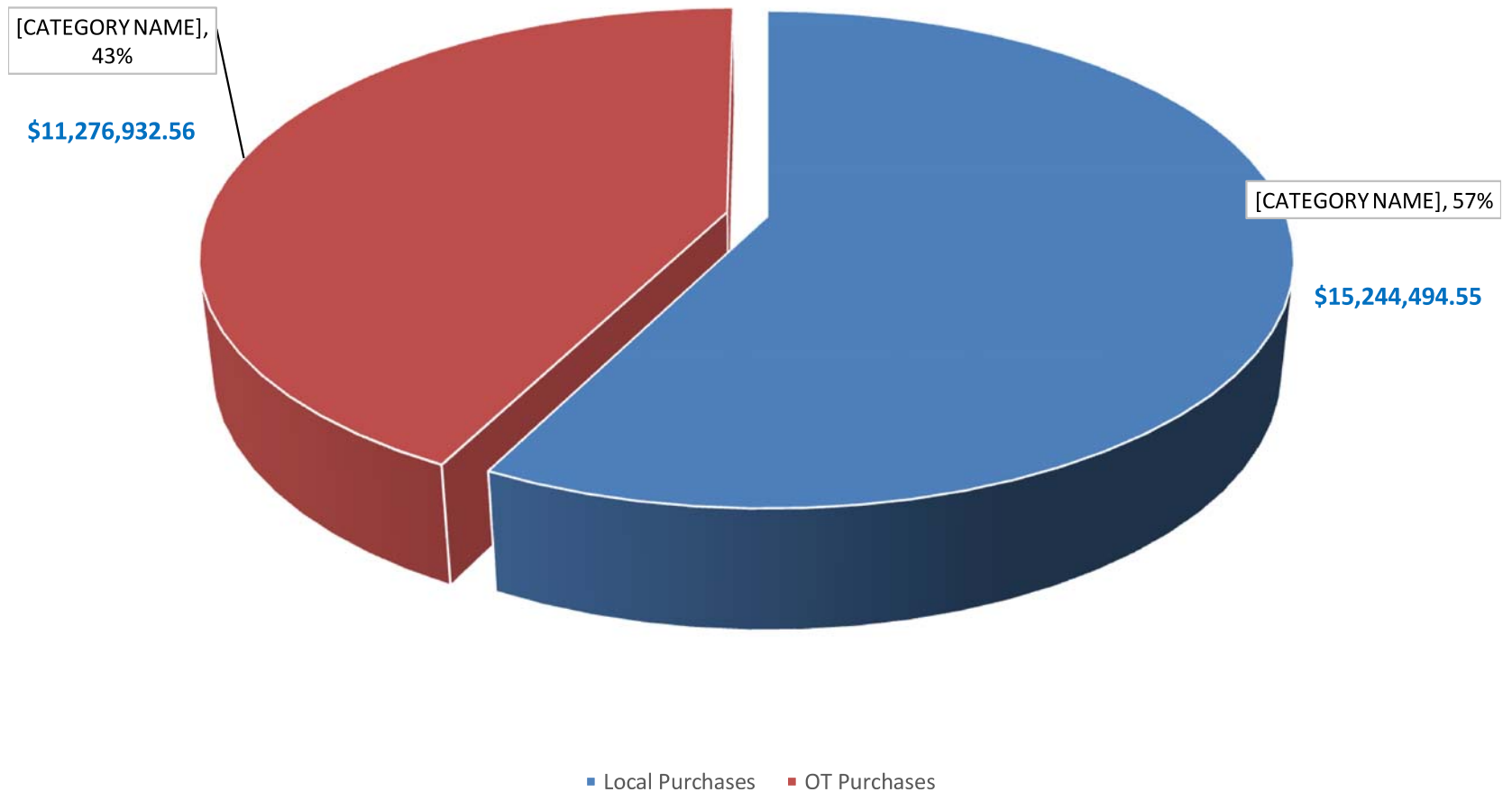
FY2016 Spend Analysis for Cooperative Purchasing Programs

Cooperative Program	Amount Spent
Buyboard	\$ 7,198,352.83
DIR	\$ 4,528,911.97
GSA	\$ 490,417.62
HGAC	\$ 1,307,524.51
PEPPM	\$ 214,015.17
Region 19	\$ 8,993,635.05
TASB	\$ 8,033.79
TCPN	\$ 1,368,170.94
TPASS	\$ 130,990.86
TXMAS	\$ 986,586.37
TXSmartbuy	\$ 100,343.20
US Communities	\$ 1,194,444.80
Total	\$ 26,521,427.11





FY2016 Local vs Out of Town Purchases



Non Local Drivers
Garbage Trucks - \$4.7M
Graball Truck - \$135K
Crane Carrier - \$355K
Computers & Software - \$2.5M

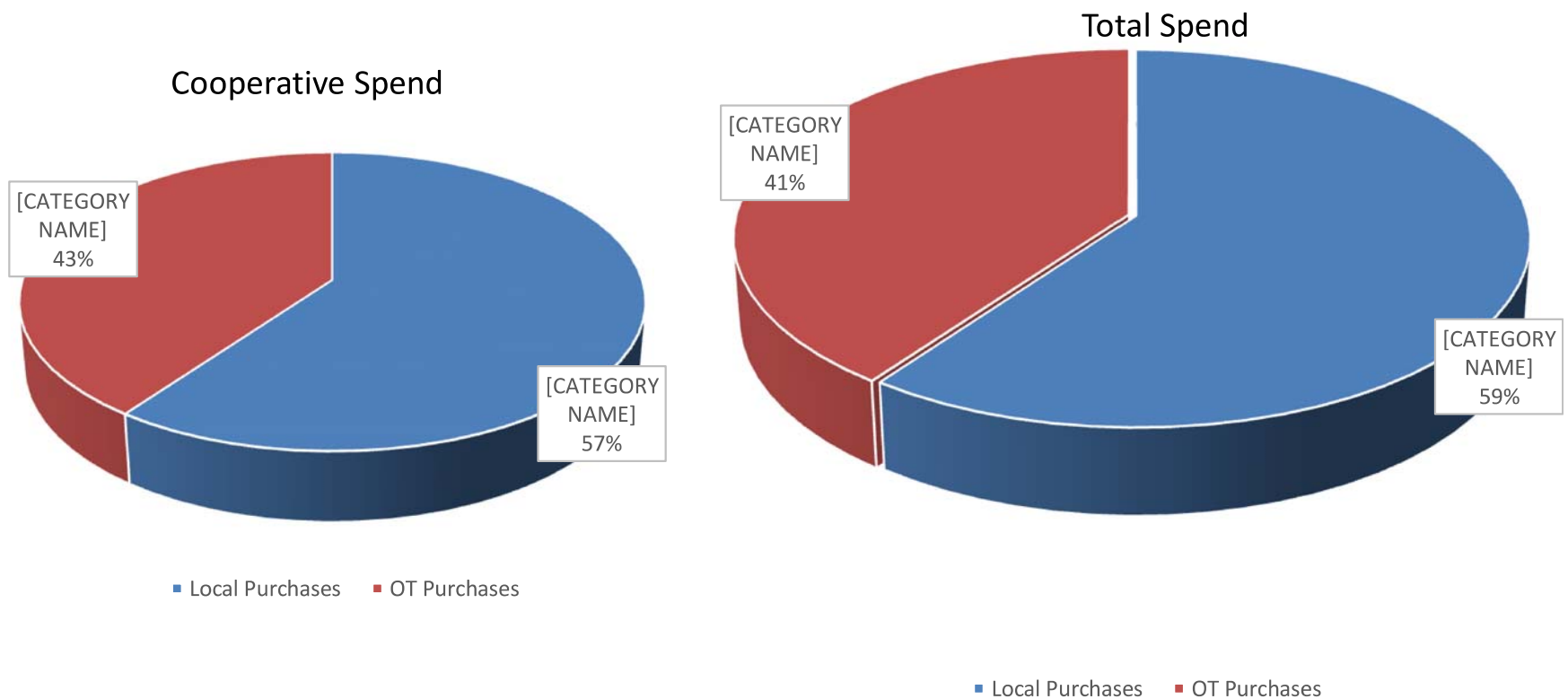
Source of the data is from the actual purchase orders issued by the City.

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FY 2016

Cooperative vs Total Spend

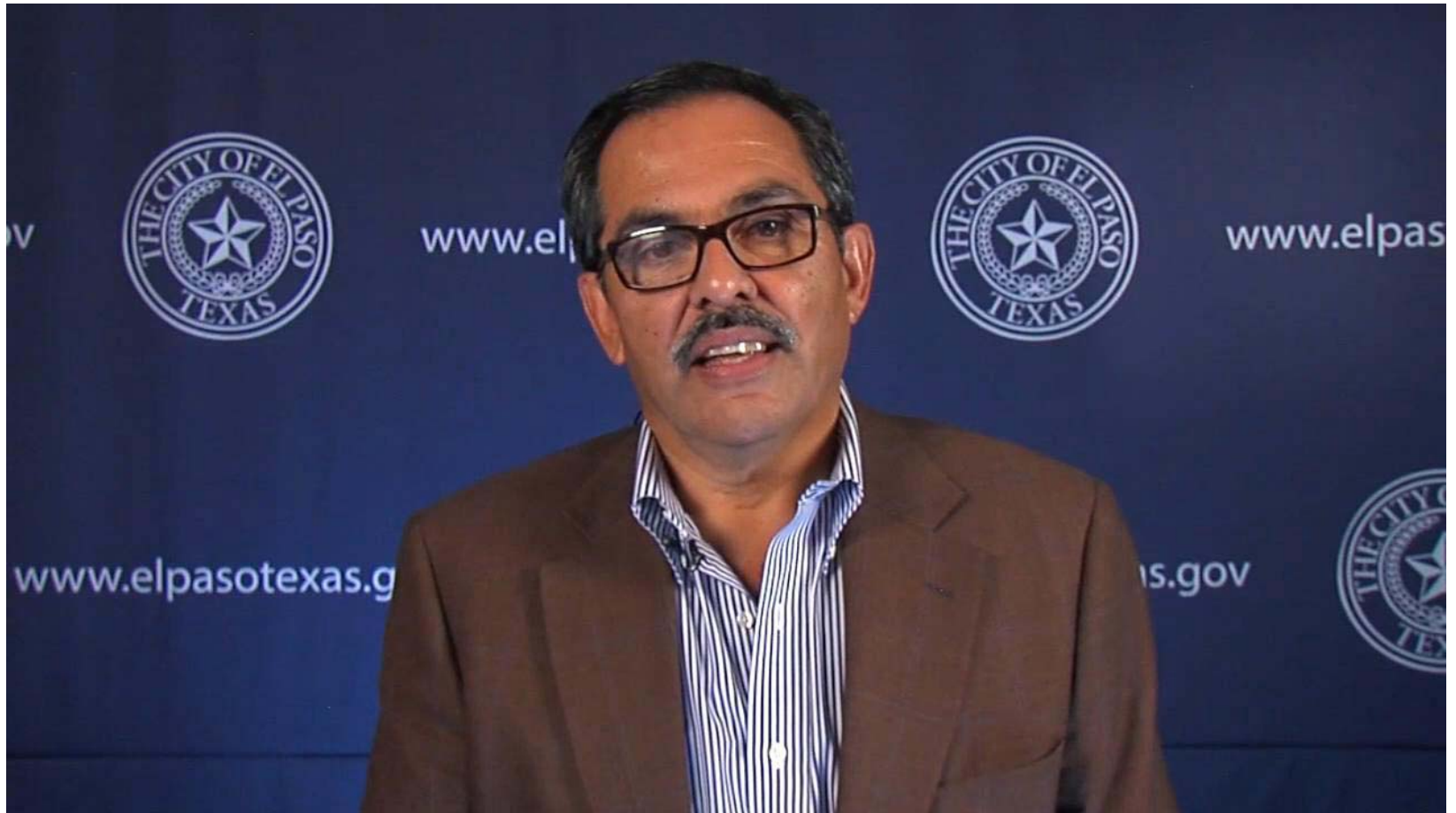




Testimonial by Antonio Rico President of ESEI



Testimonials



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Future Projects Utilizing Cooperative Purchasing Programs



Future projects utilizing Cooperative Contracts

Goods and Services

- ASL Trucks Heavy Duty Vehicles
- Ambulances
- Trash Tote Bins
- Furniture for New Facilities like the Westside Pool
- Pool Equipment for New Pools
- Playground Equipment

Capital Improvement Projects

- Library Improvements and Renovations
- Fire Stations Improvements
- Senior Centers Improvements

