



City of Grand Island

Tuesday, November 12, 2013

Council Session

Item G-23

**#2013-368 - Approving Purchasing/Buying Group for all City
Departments (Admin Minnesota)**

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Shannon Callahan, Street Superintendent

Meeting: November 12, 2013

Subject: Approving Purchasing/Buying Group for all City Departments (Admin Minnesota)

Item #'s: G-23

Presenter(s): John Collins PE, Public Works Director

Background

Grand Island City Council amended the City's purchasing/procurement policy to allow the use of buying groups. The Grand Island Public Works Department would like to utilize the Admin Minnesota Materials Management Division buying group to facilitate purchases of construction equipment, traffic signal LED bulbs, traffic signal controllers and other components. Initially this would be used as a budgeting tool because each type of item has a list of manufacturers and their submitted prices, including options.

Discussion

The Public Works Department requests the City of Grand Island join the Admin Minnesota Materials Management Division buying group to facilitate future purchases. The buying group is free to join and there is no obligation to buy. The buying group is used by government and non-profit corporations to make purchases of specialty equipment. The Admin Minnesota Materials Management Division utilizes the same process as the state bidding to ensure the lowest price to the end user.

There would be some overlap with the State of Nebraska contracts but there are commodities and equipment that the State of Nebraska does not purchase through contracts that match our needs or specifications. For example, Grand Island has different traffic signal needs than the State because of the difference in the number that we maintain. The equipment used and specified by the NDOR is usually larger than needed by the City since the majority of our work is in residential/municipal areas not rural highway. The joint purchasing venture specifies a variety of sizes and models for each type of equipment so we would be able to find a closer match to our needs/restrictions.

The City's Legal Department has reviewed this group and it complies with City Code purchasing requirements.

By joining the Admin Minnesota Materials Management Division, the Public Works Department and other City departments will be able to utilize this buying group for future purchases.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the use of Admin Minnesota Materials Management Division as an authorized buying group.

Sample Motion

Move to allow Admin Minnesota Materials Management Division to be added to the list of approved buying groups or vendors for future purchases.



COOPERATIVE PURCHASING AGREEMENT

Under the Authority of Minnesota Statutes § 16C.03, Subdivision 10
and

Minnesota Statutes § 471.59, Subdivision 1

expense, including payment of attorney fees allowable by law, which arise or may arise from the Authorized Entity's use of this joint powers agreement and from any dispute or claim arising from any transaction between the Authorized Entity and the Division's vendors, whether or not the loss, damage, dispute or claim arises during or after the period of this cooperative agreement. The Division's liability will be governed by the provisions of Minn. Stat. § 3.736.

CITY OF GRAND ISLAND

"Authorized Entity certifies that the appropriate person(s) have executed this cooperative agreement on behalf of the Authorized Entity as required by applicable articles, bylaws, resolutions or ordinances."

By:

(Authorized Signature)

(Title)

(Address)

(Date)

STATE OF MINNESOTA

"By Delegation"

By:

Materials Management Division

(Date)

Permit Number/Access Code:



COOPERATIVE PURCHASING AGREEMENT

Under the Authority of Minnesota Statutes § 16C.03, Subdivision 10
and

Minnesota Statutes § 471.59, Subdivision 1

This Joint Powers Agreement is between the State of Minnesota, through its commissioner of Administration, Materials Management Division ("Division") and

CITY OF GRAND ISLAND ("Authorized Entity").

Pursuant to Minn. Stat. § 16C.03, subd. 10, the Division acquires various supplies, commodities, equipment, and services for state agencies and governmental units (as defined in Minn. Stat. § 471.59, subd. 1) through competitive bidding or requests for proposals. The Division, through Minn. Stat. § 16C.11, and the Authorized Entity wish to combine their purchasing functions, as specifically provided below, so that the Authorized Entity may avail itself of the prices which have been agreed upon by the Division and its vendors.

The parties agree as follows:

- 1. Term.** This joint powers agreement will be effective on the date State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, and remains in effect until canceled by either party upon 30 days' written notice to the other party.
- 2. Services.** The Division will make its contracts for commodities and services, as listed on the State of Minnesota's Contract Index, available to the Authorized Entity.
- 3. Use of Division Contracts.** To purchase commodities or services from the Division's contracts, the Authorized Entity must issue a purchase order in accordance with the terms and conditions of the Division's contracts and any requirements applicable to the Authorized Entity's governing body. The Authorized Entity must send purchase orders directly to the applicable vendor and will make payments directly to the vendor in accordance with its established procedures and terms of the Division's contract. The Authorized Entity will not use the goods available under the Division's contracts for the purposes of resale. The Authorized Entity must be the end user of the goods purchased.
- 4. Liability.** The Authorized Entity agrees that neither the Division nor its employees personally assume responsibility or liability for any amounts due or claimed to be due pursuant to any purchase order entered issued by the Authorized Entity. The Authorized Entity will indemnify, save and hold harmless the Division and its employees from any loss, damage or

RESOLUTION 2013-368

WHEREAS, the City of Grand Island amended the City purchasing policy to allow the use of buying groups on May 28, 2013; and

WHEREAS, on June 25, 2013, by Resolution No. 2013-193 the City Council approved adding Houston Galveston Area Council (H-GAC) to the list of buying groups; and

WHEREAS, Admin Minnesota Materials Management Division is another buying group used by government agencies; and

WHEREAS, joining the Admin Minnesota Materials Management is free of charge and offers increased buying power to the City of Grand Island; and

WHEREAS, the Grand Island Public Works Department and all other City departments would have the option of utilizing this buying group for upcoming purchases.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City be authorized to join the Admin Minnesota Materials Management Division and authorizes the Mayor to sign the contract for entry.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, November 12, 2013.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 8, 2013	☐ City Attorney