



## Legislation Details (With Text)

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<b>Title:</b>	CONSIDER APPROVING AN INCREASE IN THE NOT-TO-EXCEED PURCHASING LIMIT PURSUANT TO THE COOPERATIVE PURCHASING AGREEMENT WITH AMAZON BUSINESS FROM THE PREVIOUSLY-APPROVED LIMIT OF \$40,000 PER FISCAL YEAR TO A NEW LIMIT OF \$100,000 PER FISCAL YEAR (CITY COUNCIL)				
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<b>Attachments:</b>	1. RFP No. MG20-81, 2. Contract No. MA3457, 3. Evaluation Documentation				

Date	Ver.	Action By	Action	Result
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## Report to Mayor and City Council

Tuesday, April 04, 2023

Consent

### SUBJECT:

**CONSIDER APPROVING AN INCREASE IN THE NOT-TO-EXCEED PURCHASING LIMIT PURSUANT TO THE COOPERATIVE PURCHASING AGREEMENT WITH AMAZON BUSINESS FROM THE PREVIOUSLY-APPROVED LIMIT OF \$40,000 PER FISCAL YEAR TO A NEW LIMIT OF \$100,000 PER FISCAL YEAR (CITY COUNCIL)**

### I. SUMMARY

Municipalities use competitively solicited Cooperative Purchasing Agreements by other government jurisdictions or public agencies to maximize cost savings and efficiently use staff resources when purchasing goods and services. Omnia Partners, Public Sector ("Omnia Partners") partnered with the State of Utah in 2020 to award Contract No. MA3457 (Exhibit No. 2) to Amazon Business for purchasing of online marketplace services and easy-access to business-relevant products, supplies, and products, and to make it a cooperative contract available to public agencies nationally through Omnia Partners' cooperative purchasing program.

Pursuant to a Council approval in February of 2021 based on Contract No. MA3457 and the cooperative purchasing exemption from the City's bidding requirements (CMC 2611(g)), staff is authorized to purchase goods from Amazon Business up to a total cost limit of

\$40,000 per fiscal year. As the limit has been reached for this fiscal year, staff is recommending that the City Council approve a \$60,000 increase in the limit, up to \$100,000 per fiscal year. This action will allow staff to continue to purchase items from Amazon Business for the remainder of Fiscal Year 2022/23, and at the higher limit through May 25, 2025.

## **II. RECOMMENDATION**

TAKE the following actions:

1. WAIVE the formal bidding procedures as defined by Carson Municipal Code (CMC) Section 2610, as allowed by CMC Section 2611(g) (cooperative purchasing).
2. AUTHORIZE the City to make purchases of materials, supplies and equipment from Amazon Business in a cumulative amount not to exceed \$100,000 per fiscal year (representing an increase of \$60,000 per fiscal year from the previously-approved limit of \$40,000 per fiscal year), effective from March 21, 2023, to May 5, 2025, and for each fiscal year contained within said effective period, pursuant to Omnia Partners Contract No. MA3457, and APPROVE form purchase orders to be used as needed to effectuate such purchases pursuant to CMC Section 2605 in the determination of the Purchasing Manager.

## **III. ALTERNATIVES**

TAKE any other action the City Council deems appropriate.

## **IV. BACKGROUND**

To maximize cost savings and staff resources, many governmental jurisdictions or public agencies combine their contracting efforts through Cooperative Purchasing Agreements which increase pricing competitiveness and lowers operating costs through significant volume discounts. When comparing the administrative costs required, i.e., product research, vendor research, advertising, awarding and creating the contract, it is the more cost-effective means of purchasing goods.

A Cooperative Purchasing Agreement with Amazon Business was competitively bid, evaluated, and awarded by Omnia Partners through the Request for Proposals (RFP) No. MG20-81 dated January 13, 2020. The State of Utah was the Principal Procurement Agency that partnered with Omnia Partners to establish a master agreement for the solicitation to be available to other public agencies nationally, including state and local governmental entities, through a five-year agreement from September 9, 2020, through May 5, 2025.

Since the onset of the Covid-19 pandemic, Amazon Business has been an integral vendor to the City of Carson in the delivery of Personal Protective Equipment (disposable gloves, coveralls, and respirators) for staff, and Information Technology equipment (webcam and

microphones) for work from home and remote learning at parks. Three years later, this vendor continues to play an essential role in providing the City with a flexible, efficient, and affordable means of purchasing needed supplies and equipment for its many programs and services.

On February 16, 2021, Council approved the use of Amazon Business via a Cooperative Purchasing Agreement in a maximum amount of \$40,000 per fiscal year. By the end of February 2023, the City had reached this threshold for the 2022-23 fiscal year; therefore, no purchases can be made through the vendor for the remainder of this fiscal year unless a new limit is approved. With all the City's departments still needing to purchase equipment and supplies for the remainder of the Fiscal Year 2022/23 and beyond, staff is requesting that the City Council authorize a new threshold of \$100,000, effective March 21, 2023, through May 5, 2025.

The recommendations in this report are in accordance with CMC Section 2611(g), which enables the City to authorize the purchase of materials, supplies, equipment, or services through a joint powers or other cooperative purchasing program with any local, county, State, or Federal public entity, or any association of public agencies, even if the contracts and implementing agreements entered into by the participating entity or association under those cooperative purchasing programs were not entered into pursuant to a process that resulted in the contract being awarded to the lowest responsible and responsive bidder under CMC 2610(i); provided, that the selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association within three (3) years of City's approval of the City contract entered into with the selected bidder via cooperative purchasing. **V. FISCAL IMPACT**

Funds for this request are budgeted in the Adopted FY 2022/23 Budget. Each Department will use their own account to make their purchases, as required.

## **VI. EXHIBITS**

1. RFP No. MG20-81 (pages 4 - 40)
2. Contract No. MA3457 (pages 41 - 52)
3. Evaluation Documentation (pages 53 - 55)

1.

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