



# City of San Antonio

## Agenda Memorandum

**File Number:**20-5589

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**Agenda Item Number:** 5.

**Agenda Date:** 10/29/2020

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Interlocal Agreement with San Antonio River Authority (SARA)

### **SUMMARY:**

This ordinance authorizes the execution of an Interlocal Agreement (ILA) between the City of San Antonio and the San Antonio River Authority to engage in cooperative purchasing allowing utilization of contracts procured by either entity which contain cooperative purchasing provisions.

### **BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is the ILA between the City of San Antonio and the San Antonio River Authority allowing either party the ability to utilize contracts with participating vendors who have consented to cooperative purchasing provisions. In these instances, the participating vendor agrees to extend contract terms and pricing to the riding party. The riding party can directly purchase from the participating vendor and is responsible for administering its own contract, issuing purchase orders, receiving shipments and making payment directly to the participating vendor. This interlocal agreement will allow the parties to reduce administrative expenses associated with the procurement of goods and services as well as take advantage of bulk pricing.

Local governments, utilities, and military bases currently engage in cooperative purchasing with the City, primarily for gasoline, diesel fuel, concrete and roadway materials.

The San Antonio River Authority Board has approved the Interlocal Agreement with the City of San Antonio. The Interlocal Cooperation Act, Chapter 791, Texas Government Code permits local governmental entities to enter into intergovernmental agreements for the performance of governmental functions, including

administrative functions, such as purchasing, in order to promote efficiencies and effectiveness. The Interlocal Agreement satisfies Texas laws on competitive bidding.

**ISSUE:**

This ordinance authorizes the execution of an Interlocal Agreement allowing cooperative purchasing between the City of San Antonio and the San Antonio River Authority. This interlocal agreement will allow the parties to reduce administrative expenses associated with the procurement of goods and services as well as take advantage of bulk pricing.

**ALTERNATIVES:**

Should this contract not be approved, the City of San Antonio and the San Antonio River Authority would continue to separately procure goods and/or services and would not realize savings associated with reduced administrative costs and bulk pricing.

**FISCAL IMPACT:**

The San Antonio River Authority (SARA) will pay a \$100 administrative fee for each contract in which cooperative purchasing is utilized.

**RECOMMENDATION:**

Staff recommends approval of this ordinance authorizing an Interlocal Agreement between the City of San Antonio and the San Antonio River Authority for cooperative purchasing to promote efficiencies and cost savings.