



City of Galveston

FINANCE DEPARTMENT STAFF REPORT

October 8, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council

From: Michael W. Loftin, Assistant City Manager - Finance

RE: Consider approving purchases of maintenance, repair, and operational (MRO) supplies and related services using the contract with Fastenal Company through The Cooperative Purchasing Network (TCPN/National IPA) purchasing cooperative. Estimated costs for products not to exceed Council approved budgets.

Background:

The City of Galveston is a member of the TCPN/National IPA cooperative purchasing program, using the Region 4 Education Service Center in Houston, Texas, this allows the city to utilize contracts that have been competitively procured in compliance with state purchasing requirements. Click the link to find out how this cooperative works: [National IPA - Omnia Partners](#). Texas Government Code Section 791 authorizes local governments to contract, as much as possible, with other local governments and any agencies of the State of Texas.

The TCPN/Nation IPA purchasing cooperative has combined the buying power of 48,000 public entities, including school districts, municipalities, and counties. The objective of a cooperative purchasing program is to provide a mechanism for local governments to pool their collective purchasing power. Purchasing cooperatives save money in two ways: the price of the product and/or in the administrative cost savings from advertising for a formal solicitation.

Currently:

Fastenal Company has contracts with The Cooperative Purchasing Network (TCPN). They are contract numbers 2018.000208 and R192001. They provide various maintenance, repair, and operational (MRO) supplies and related services and offer discounts from their full catalogue pricing. Fastenal, also, has a storefront in Galveston with products suited to the needs of employees for daily operations.

The website for contract documents:

[Fastenal Contracts](#)





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Alternatives:

Approve using the cooperative purchasing contract through TCPN/National IPA for Fastenal Company purchases.

Do not approve using the cooperative purchasing contract and bid MRO supplies through the Purchasing Department.

Issues:

Cost – Total estimated cost as provided for through budgets adopted by City Council and administered by the City Manager

Timing – Current Fiscal Year

Term – through September 30, 2021

Recommendation:

Approve using the cooperative contract with Fastenal Company through the TCPN/National IPA purchasing cooperative.

Fiscal Impact Report:

Requested by:

Michael W. Loftin

Assistant City Manager - Finance

Funding Source:

Various City Accounts

Estimated Total Costs:

As provided for through budgets adopted by City Council and administered by the City Manager

