



City of Galveston

FINANCE DEPARTMENT STAFF REPORT

October 9, 2020

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

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

RE: Consider approving purchases of operational supplies using the contract with Sam's Club through the Purchasing Association of Cooperative Entities (PACE) purchasing cooperative. Estimated costs for products not to exceed Council approved budgets.

Background:

The City of Galveston, upon City Council's approval, will be joining the Purchasing Association of Cooperative Entities (PACE) purchasing cooperative. It is managed by the Region 20 Education Service Center in San Antonio, Texas. The cooperative 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: [PACE Purchasing Cooperative](#). 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.

PACE has the combined buying power of 1,042 public agencies nationwide. 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:

Sam's Club has a contract with the Purchasing Association of Cooperative Entities (PACE). It is contract number P00170. They provide various operational supplies such as grocery items, paper products, technology items, office products, and furniture. Using Sam's Club gives employees another resource for seeking the best value for the City of Galveston, for supplies necessary to daily operations.

Sam's Contract Link:
[Sam's Club Contract](#)





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Alternatives:

Approve using the cooperative purchasing contract through PACE Sam's Club.

Do not approve using the cooperative purchasing contract.

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 Sam's Club through the Purchasing Association of Cooperative Entities (PACE) 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

