



City of Galveston

FINANCE DEPARTMENT STAFF REPORT

July 3, 2019

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

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

RE: Consider approving purchases of building maintenance, repair, operations supplies and equipment using the contract with McCoy's Building Supply through the BuyBoard purchasing cooperative. Estimated costs for products not to exceed Council approved budgets.

Background:

The City of Galveston is a member of the BuyBoard cooperative purchasing program, governed by the Texas Association of School Boards, 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: <https://www.buyboard.com/Texas/About-Us/Member-FAQ.aspx>. 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 BuyBoard purchasing cooperative is endorsed by the Texas Municipal League. 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. The City of Galveston also receives member rebates in December from BuyBoard. The combined total of rebates received from BuyBoard for Fiscal Years 2012 through 2016 is \$4,434.80. At the time of this staff report data was available for FY 17 and FY 18.

Currently:

McCoy's Building Supply has a contract with BuyBoard. It is contract number 577-18. They provide various building maintenance and operational supplies, including hardware and lumber. Discounts off of list price vary by items from .2% to 4.5%. Using McCoy's gives employees another source, other than Home Depot, for supplies necessary to daily operations. McCoy's maintains a store front in the City of Galveston with supplies readily available to employees.

Website for contract documents:

<https://app.buyboard.com/Search/Index?SearchTerm=&VendorId=4223&DiscountProductId=-1&ContractId=739fdf>





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Alternatives:

Approve using the cooperative purchasing contract through BuyBoard for McCoy's Building Supply

Do not approve using the cooperative purchasing contract and bid office 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, 2019

Recommendation:

Approve using the cooperative contract with McCoy's Building Supply through the BuyBoard 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

