



**CITY OF URBANA, ILLINOIS  
FINANCE DEPARTMENT**

**MEMORANDUM**

**TO:** Mayor Diane Wolfe Marlin and City Council Members  
**FROM:** Elizabeth Hannan, Finance Director  
**DATE:** July 5, 2018  
**SUBJECT:** **Resolutions Authorizing Participation in TIPS Purchasing Coop  
and National IPA Purchasing Coop**

**Introduction:** These resolutions would authorize the Mayor to enter into an intergovernmental agreement with the Region VIII Education Service Center in Pittsburgh, Texas to participate in the TIPS purchasing cooperative, and authorize the Finance Director to enter into an intergovernmental agreement with the National IPA purchasing cooperative.

**Discussion:**

Governmental Joint Purchasing Act: Illinois law allows the City to participate in joint purchases with other governmental units. Participation requires that the City Council approve an intergovernmental agreement. This allows one agency to conduct a competitive procurement on behalf of coop participants, rather than each agency conducting its own competitive procurement.

Joint Purchases, Generally: Participating in a joint purchasing arrangement benefits the City because a cooperative is likely to receive more competitive pricing due to the higher volume of purchases. In addition, this allows for more efficient use of staff time, since an individual competitive procurement can require many hours of staff time.

The City currently participates in four joint purchasing arrangements including –

- the State of Illinois joint purchasing program
- HGAC Buy (Houston Galveston Area Council of Governments)
- National Joint Powers Alliance
- U.S. Communities

The City has benefitted from these arrangements in purchasing computer equipment and vehicles, as well as other items.

**TIPS Purchasing Coop:** The first resolution would authorize the Mayor to enter into an intergovernmental agreement with the Region VIII Education Service Center in Pittsburgh, Texas to participate in the TIPS purchasing cooperative. TIPS serves school districts, universities, cities, and counties across the country. This purchasing coop has pricing available for vehicle leasing through Enterprise Fleet Management. Other items may also be purchased through this cooperative. Examples of items available through this coop include automobile tires and parts, books and library materials, copiers, computer equipment, office furniture, and time clock systems.

**National IPA Purchasing Coop:** The second resolution would authorize the Finance Director to enter into an intergovernmental agreement with the National IPA purchasing coop. (The Finance Director is authorized to execute this agreement because the coop requires that to be done online.) National IPA leverages the buying power of over 48,000 government entities. Lead agencies include the County of DuPage in Illinois, as well as numerous other government agencies including cities, counties, universities, and school districts across the country. Examples of items available through this coop include office furniture, equipment rental, vehicle parts, and construction equipment.

**Alternatives:**

1. Authorize the Mayor to enter into an intergovernmental agreement with the Region VIII Education Service Center in Pittsburgh, Texas to participate in the TIPS purchasing cooperative, and authorize the Finance Director to enter into an intergovernmental agreement with the National IPA purchasing cooperative.
2. Do not approve one or both of these resolutions.

**Recommendation:** Authorize the Mayor to enter into an intergovernmental agreement with the Region VIII Education Service Center in Pittsburgh, Texas to participate in the TIPS purchasing cooperative, and authorize the Finance Director to enter into an intergovernmental agreement to participate in the National IPA purchasing cooperative. This is likely to result in better pricing for vehicle leasing than the City could obtain on its own due to the small volume of vehicles that the City expects to lease. In addition, other supplies and services available from these purchasing cooperatives are likely to be obtained at more competitive prices than the City would otherwise obtain.

**Fiscal Impact:** Although the exact impact cannot be estimated, staff expects to receive more competitive pricing through participation in purchasing cooperatives than through an independent competitive selection process.

**RESOLUTION NO. 2018-07-029R**

**A RESOLUTION AUTHORIZING ENTRY INTO INTERLOCAL AGREEMENT**  
(Cooperative Purchasing Program with Region VIII Education Service Center, Pittsburg, Texas)

**WHEREAS**, the City of Urbana (the “City”) is an Illinois home rule unit of local government pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and the statutes of the State of Illinois; and

**WHEREAS**, Section 10 of Article VII of the Constitution of the State of Illinois, 1970, and the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.-220/9) provide authority for local governments to contract or otherwise associate with other states and their units of local government to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance; and

**WHEREAS**, the City recognizes that it is appropriate and beneficial for the City and its departments to enter into purchasing cooperatives in an effort to save money on the City’s purchase of goods and/or services; and

**WHEREAS**, Region VIII Education Service Center, Pittsburg, Texas has formed and operates a purchasing cooperative in which other units of local government have joined in order to save money on their purchase of goods and/or services; and

**WHEREAS**, the City Council recognizes that when units of local government join together in purchasing cooperatives, they have stronger negotiating power when negotiating with vendors and service providers in connection with such local governments’ purchases of goods and/or services; and

**WHEREAS**, the City Council deems it appropriate to enter into the Interlocal Agreement – Region VIII Education Service Center appended hereto and made a part hereof as an exhibit since entering into such purchasing cooperative does not obligate the City to undertake any particular purchases through the aforesaid buying cooperative since purchasing decisions are to be made “in the best interest of the City as provided in Role No. 3 for governmental entities.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, resolves as follows:

**Section 1.**

The Mayor of the City of Urbana, Illinois, shall be and hereby is authorized to enter into, on behalf of the City, the Interlocal Agreement – Region VIII Education Service Center, Pittsburg, Texas in substantially the form appended hereto as an exhibit.

**Section 2.**

The Mayor of the City of Urbana, Illinois, shall be and hereby is authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, and the City Clerk shall be and hereby is

authorized to attest to said execution of the Interlocal Agreement – Region VIII Education Service Center, Pittsburg, Texas in substantially the form appended hereto as an exhibit.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Charles A Smyth, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

**INTERLOCAL AGREEMENT**  
**Region VIII Education Service Center**  
**ILLINOIS PUBLIC AGENCY**  
**(School, College, University, State, City or County Office)**

\_\_\_\_\_  
ILLINOIS  
EDUCATIONAL OR GOVERNMENT ENTITY

\_\_\_\_\_  
Control Number (TIPS will Assign)  
Schools enter County-District Number

and

Region VIII Education Service Center  
Pittsburg, Texas

225 - 950  
Region 8 County-District Number

The Texas Education Code §8.002 permits Regional Education Service Centers, at the direction of the Commissioner of Education, to provide services to assist school districts, colleges and universities in improving student performance and increasing the efficiency and effectiveness of school, college and university financial operations.

**Government Authority:**

The Illinois Intergovernmental Cooperation Act grants authority for public agencies, such as school districts, to exercise any powers, privileges, or authority jointly with any other public agency of Illinois, or any other state, which has the same powers, privileges or authority. 5 Ill. COMP STAT. 220/2-(1). The definition of "public agency" includes any political subdivision of any other state 5 ILL. COMP. STAT. 220/2-(1). A Texas regional service center is a political subdivision of Texas. Tex. Educ. Code §8.001, et seq. Therefore, Illinois public school districts, or other local governments, have statutory authority to contract or agree with a Texas regional education service center for the joint exercise of the same powers, privileges and authority that each entity may exercise independently.

**Vision:**

TIPS will become the premier purchasing cooperative in North America through developing partnerships with quality vendors, school districts, universities, colleges, all governmental entities, and public and private industry.

**Mission:**

Our mission is to provide a proven purchasing process through quality customer service including timely response, legal support and effective recruitment by providing sufficient resources to include personnel.

**Purpose:**

The purpose of the TIPS program shall be to continue providing substantial savings and best value for participating educational entities or public agencies through cooperative purchasing.

**Effective:**

This Interlocal Agreement (hereinafter referred to as the "Agreement") is effective \_\_\_\_\_ and shall be automatically renewed annually unless either party gives sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by either party upon (60) days prior written notice, or may also be determined for cause at

anytime upon written notice stating the reason for and effective date of such terminations and after giving the affected party a thirty (30) day period to cure any breach.

**Statement of Services to be Performed:**

Region VIII Education Service Center, by this *Agreement*, agrees to provide competitively bid cooperative purchasing services to the above-named public entity through a Program known as The Interlocal Purchasing System (TIPS) Program.

**Role of the TIPS Purchasing Cooperative:**

1. Provide organizational and administrative structure of the TIPS Program.
2. Provide Administrative and Support Staff necessary for efficient operation of the TIPS Program.
3. Provide marketing of the TIPS program to expand membership, awarded contracts and commodity categories.
4. Initiate and implement activities required for competitive bidding and vendor award process including posting, advertising, collecting proposals, scoring proposals, and awarding of vendor contracts.
5. Provide members with current awarded vendor contracts, instructions for obtaining quotes and ordering procedures.
6. Maintain filing system for all competitive bidding procedure requirements.
7. Provide Reports as requested.
8. Maintain active membership database for awarded vendors.
9. Provide TIPS training to members and vendors upon request.

**Role of the Education or Government Entity:**

1. Commit to participate in the TIPS Program.
2. Designate a Primary and Technology Contact for the entity to be responsible for promoting TIPS within the organization.
3. Commit to purchase products and services from TIPS Vendor Awarded Contracts when in the best interest of the entity. **PURCHASE ORDER MUST ALWAYS BE MARKED TIPS and EMAILED to [TIPSPO@TIPS-USA.COM](mailto:TIPSPO@TIPS-USA.COM) for processing.**
4. Accept shipments of products ordered from Awarded Vendors in accordance with standard purchasing procedures.
6. Pay Awarded Vendors in a timely manner for all goods and services received.
7. Report any vendor issues that may arise to the TIPS Cooperative Coordinator.

**General Provisions:**

Both Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the laws of the State of Texas and venue shall be in the county in which the administrative offices of RESC VIII are located which is Camp County, Texas.

It is the responsibility of the Entity purchasing from TIPS to insure that the respective State purchasing laws are being followed.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by means of a facsimile machine and the terms and conditions agreed to are binding upon the Parties.

**Authorization:**

Region VIII Education Service Center and The Interlocal Purchasing System (TIPS) Program have entered into an Agreement to provide competitively bid cooperative purchasing opportunities to entities as outlined above.

This Interlocal Agreement process was approved by the governing boards of the respective parties at meetings that were posted and held in accordance with the respective STATE Open Meetings Act, for Texas it was Government Code Ch. 551.

The individuals signing below are authorized to do so by the respective parties to this Agreement.

**Membership Entity-**

**Region 8 Education Service Center**

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

By: \_\_\_\_\_  
Authorized Signature

Title: \_\_\_\_\_

Title: Executive Director Region VIII ESC

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Public Entity Contact Information**

\_\_\_\_\_  
Primary Purchasing Person's Name

\_\_\_\_\_  
Primary Person's Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Secondary Coordinator's Name

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Secondary Coordinator's Email Address

\_\_\_\_\_  
Fax Number

**Instructions:**

If your entity does not require you to have an Interlocal Agreement, please go to the TIPS website under Membership and take advantage of online registration. The states of Texas and Arizona **do** require all entities to have an Interlocal Agreement. Email completed Interlocal Agreement to [tips@tips-usa.com](mailto:tips@tips-usa.com).



**RESOLUTION NO. 2018-07-030R**

**A RESOLUTION AUTHORIZING ENTRY  
INTO PURCHASING ALLIANCE AGREEMENT**

(National Intergovernmental Purchasing Alliance Company)

**WHEREAS**, the City of Urbana (the “City”) is an Illinois home rule unit of local government pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and the statutes of the State of Illinois; and

**WHEREAS**, the City recognizes that it is appropriate and beneficial for the City and its departments to enter into purchasing cooperatives and alliances in an effort to save money on the City’s purchase of goods and/or services; and

**WHEREAS**, The National Intergovernmental Purchasing Alliance Company has formed and operates a purchasing cooperative/alliance in which other units of local government have joined in order to save money on their purchase of goods and/or services; and

**WHEREAS**, the City Council recognizes that when units of local government join together in purchasing cooperatives, they have stronger negotiating power when negotiating with vendors and service providers in connection with such local governments’ purchases of goods and/or services; and

**WHEREAS**, the City Council deems it appropriate to participate in the National Intergovernmental Purchasing Alliance Company’s purchasing cooperative/alliance; and

**WHEREAS**, nothing in the National Intergovernmental Purchasing Alliance agreement requires the City to make purchases through the National Intergovernmental Purchasing Alliance Company; thereby retaining the right of the City select its vendors, suppliers and service providers based on terms and conditions the City deems appropriate and in the best interests of its citizens.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, resolves as follows:

**Section 1.**

The Finance Director of the City of Urbana, Illinois, shall be and hereby is authorized to enter into, on behalf of the City, the Master Intergovernmental Cooperative Purchasing Agreement in substantially the form of the exhibit appended hereto and made a part hereof.

**Section 2.**

The Finance Director of the City of Urbana, Illinois, shall be and hereby is authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, and the City Clerk shall be and hereby is authorized to attest to said execution of the Master Intergovernmental Cooperative

Purchasing Agreement in substantially the form of the exhibit appended hereto and made a part hereof.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Charles A Smyth, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

# Terms of Participation

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## National IPA Participation Agreement

### **MASTER INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT**

This Master Intergovernmental Cooperative Purchasing Agreement (this "**Agreement**") is entered into by and between those certain government agencies that execute a Principal Procurement Agency Certificate ("**Principal Procurement Agencies**") with National Intergovernmental Purchasing Alliance Company ("**National IPA**") to be appended and made a part hereof and such other public agencies ("**Participating Public Agencies**") who register to participate in the cooperative purchasing programs administered by National IPA and its affiliates and subsidiaries (collectively, the "**National IPA Parties**") by either registering on a National IPA Party website (such as [www.nationalipa.org](http://www.nationalipa.org)), or by executing a copy of this Agreement.

### **RECITALS**

**WHEREAS**, after a competitive solicitation and selection process by Principal Procurement Agencies, a number of suppliers have entered into "**Master Agreements**" (herein so called) to provide a variety of goods, products and services ("**Products**") to the applicable Principal Procurement Agency and the Participating Public Agencies;

**WHEREAS**, Master Agreements are made available by Principal Procurement Agencies through the National IPA Parties and provide that Participating Public Agencies may purchase Products on the same terms, conditions and pricing as the Principal Procurement Agency, subject to any applicable federal and/or local purchasing ordinances and the laws of the State of purchase; and

**WHEREAS**, in addition to Master Agreements, the National IPA Parties may from time to time offer Participating Public Agencies the opportunity to acquire Products through other group purchasing agreements.

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, and of the mutual benefits to result, the parties hereby agree as follows:

1. Each party will facilitate the cooperative procurement of Products.
2. The Participating Public Agencies shall procure Products in accordance with and subject to the relevant federal, state and local statutes, ordinances, rules and regulations that govern Participating Public Agency's procurement practices. The Participating Public Agencies hereby acknowledge and agree that it is the intent of the parties that all provisions of this Agreement and that Principal Procurement Agencies' participation in the program described herein comply with all applicable laws, including but not limited to the requirements of 42 C.F.R. § 1001.952(h), as may be amended from time to time. The Participating Public Agencies further acknowledge and agree that they are solely responsible for their compliance with all applicable "safe harbor" regulations, including but not limited to any and all obligations to fully and accurately report discounts and incentives.
3. The Participating Public Agency represents and warrants that the Participating Public Agency is not a hospital and is not purchasing Products on behalf of a hospital.
4. The cooperative use of Master Agreements shall be in accordance with the terms and conditions of the Master Agreements, except as modification of those terms and conditions is otherwise required by applicable federal, state or local law.
5. The Principal Procurement Agencies will make available, upon reasonable request, Master Agreement information which may assist in improving the procurement of Products by the Participating Public Agencies.
6. The Participating Public Agency agrees the National IPA Parties may provide access to group purchasing organization ("GPO") agreements directly or indirectly by enrolling the Participating Public Agency in another GPO's purchasing program, including but not limited to Vizient Source, LLC, Provista, Inc. and other National IPA affiliates and subsidiaries; provided the purchase of Products through a National IPA Party or any other GPO shall be at the Participating Public Agency's sole discretion.
7. The Participating Public Agencies (each a "Procuring Party") that procure Products through any Master Agreement or GPO Product supply agreement (each a "GPO Contract") will make timely payments to the distributor, manufacturer or other vendor (collectively, "Supplier") for Products received in accordance with the terms and conditions of the Master Agreement or GPO

Contract, as applicable. Payment for Products and inspections and acceptance of Products ordered by the Procuring Party shall be the exclusive obligation of such Procuring Party. Disputes between Procuring Party and any Supplier shall be resolved in accordance with the law and venue rules of the State of purchase unless otherwise agreed to by the Procuring Party and Supplier.

8. The Procuring Party shall not use this Agreement as a method for obtaining additional concessions or reduced prices for similar products or services.
  9. The Procuring Party shall be responsible for the ordering of Products under this Agreement. A non-procuring party shall not be liable in any fashion for any violation by a Procuring Party, and, to the extent permitted by applicable law, the Procuring Party shall hold non-procuring party harmless from any liability that may arise from the acts or omissions of the Procuring Party.
  10. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE NATIONAL IPA PARTIES EXPRESSLY DISCLAIM ALL EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES REGARDING ANY PRODUCT, MASTER AGREEMENT AND GPO CONTRACT. THE NATIONAL IPA PARTIES SHALL NOT BE LIABLE IN ANY WAY FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, OR RELIANCE DAMAGES, EVEN IF THE NATIONAL IPA PARTIES ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, THE PROCURING PARTY ACKNOWLEDGES AND AGREES THAT THE NATIONAL IPA PARTIES SHALL HAVE NO LIABILITY FOR ANY ACT OR OMISSION BY A SUPPLIER OR OTHER PARTY UNDER A MASTER AGREEMENT OR GPO CONTRACT.
  11. This Agreement shall remain in effect until termination by a party giving thirty (30) days' written notice to the other party. The provisions of Paragraphs 6 - 10 hereof shall survive any such termination.
  12. This Agreement shall take effect upon (i) execution of the Principal Procurement Agency Certificate, or (ii) the registration on a National IPA Party website or the execution of this Agreement by a Participating Public Agency, as applicable.
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