



CITY OF POMONA COUNCIL REPORT

Date

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Onyx Jones, Finance Director/City Treasurer

Subject: **Approval of Purchasing Janitorial and Sanitation Supplies, Equipment and Related Services from local supplier Waxie Sanitary Supply Under a Cooperative Agreement awarded to Network Services Company through National Intergovernmental Purchasing Alliance (National IPA), Contract # 15148.**

OVERVIEW

Recommendations - That the City Council approve the purchasing of janitorial and sanitation supplies from Waxie Sanitary Supply under a competitively bid contract that is available to public agencies nationwide via the National Intergovernmental Purchasing Alliance (National IPA), Contract No. 151148. Authorize the City's participation in three, one-year extensions of the Cooperative Agreement (renews annually in the month of August).

Fiscal Impact- None with the proposed action. Funding for janitorial and sanitation supplies is appropriated each fiscal year within each department's operating budget. Expenditures for janitorial and sanitation supplies are limited annually by each departments budgeted appropriations.

EXECUTIVE SUMMARY

The purchase of janitorial and sanitation supplies from Waxie Sanitary Supply has gradually increased over the years to where the amount expended for janitorial and sanitation supplies from Waxie Sanitary Supply is in excess of \$30,000 annually, which requires City Council approval. The recommended Council action will authorize the City to continue purchasing janitorial and sanitation supplies from Waxie Sanitary Supply under a Cooperative Agreement through National Intergovernmental Purchasing Alliance (National IPA) with uninterrupted service to City departments and services.

DISCUSSION

Section 2-973 of the Purchasing Ordinance authorizes the purchasing manager to join with other units of government in cooperative purchasing plans so that the best interest of the city shall be served thereby. The purchasing manager is authorized to recommend a cooperative or "piggyback" purchase on an awarded contract for services or equipment, entered into by other governmental agencies (municipality, county or state) through a competitive bid process, provided all products or equipment requested meet the technical specifications of the awarded bid.

Prior to July 2017, janitorial and sanitation supplies most utilized by City departments were purchased in bulk by the Water Resources Department and warehoused at the corporate yard at the "Central Store" building. Items not available through Central Stores were purchased from Waxie Sanitary Supply on an as-needed basis. Currently, Central Stores has closed down and is no longer stocking any supplies utilized by City staff.

With the closure of the City's Central Stores, the City reviewed relevant cooperative purchasing agreements available to the City. The National IPA program is a membership of State Government, County Government, City/Local Government, Public and Private Educational Institutions and public agencies from across the entire United States. The City of Tucson was the lead agency in issuing a formal bid for janitorial and sanitation supplies, equipment and related services. Staff has reviewed the procurement process conducted by the lead agency and determined that the process meets the City of Pomona's requirement for utilizing cooperative agreements. Products available under the Cooperative Agreement include an extensive list of private line products. Products offered typically yield a 5-25% savings when compared to equivalent branded products. Additionally, the Agreement provides for volume discounts for large orders. Orders \$1,500.00 - \$2,499 receive a 3% discount off invoice, Orders \$2,500+ receive a 5% discount off invoice.

Waxie Sanitary Supply orders are placed on-line with next day delivery. Utilizing Waxie Sanitary Supply eliminates the need to keep large quantities of supplies in stock, thereby reducing administrative costs, staff resources and storage space required to manage office supply inventory and distribution. Waxie Sanitary Supply account representatives are highly responsive and have resolved any issues in a timely manner.

The National IPA Cooperative Agreement was in effect through August 1, 2017 and it included an additional three (3) years, in one (1) year increments. The City of Tucson has exercised its option to renew the contract for the period of August 2, 2017 through August 1, 2018. (See attachment "A" renewal letter) Orders to Waxie Sanitary Supply for janitorial and sanitation supplies will continue to be on an as-needed basis and within the authorized budget for each City department. Therefore, staff recommends that the City Council approve the National IPA agreement awarded to Network Services Company utilizing local supplier Waxie Sanitary Supply for the annual purchases of janitorial and sanitation supplies that will be limited annually by each departments budgeted appropriations.

Attachment A: Renewal Letter

Prepared by: Keri Hinojos, Purchasing Manager