



# AGENDA REPORT

**TO:** Jestin D. Johnson  
City Administrator

**FROM:** Erin Roseman  
Finance Director

**SUBJECT:** Citywide Cooperative Agreements

**DATE:** October 17, 2023

City Administrator Approval

Date: Nov 1, 2023

## RECOMMENDATION

**Staff Recommends That The City Council Adopt A Resolution Approving, In Accordance With City Council Budget Appropriations And Allocations As Adopted By The Fiscal Year 2023-25 Budget:**

**(1) Ongoing Finance Department Purchasing Unit Cooperative Agreements Exceeding \$250,000 For Citywide Commodities And Service Contracts As Set Forth In Table 1 In An Amount Not To Exceed Thirty-One Million Six Hundred Fifty-One Thousand Four Hundred Seventeen Dollars (\$31,651,417);**

**(2) Ongoing Public Works Cooperative Purchase Agreements Exceeding \$250,000 For Commodities And Service Contracts As Set Forth In Table 2a In An Amount Not To Exceed Nine Million Eighty-Nine Thousand Dollars (\$9,089,000);**

**(3) Increasing Previously Approved Department Of Public Works Cooperative Agreements Exceeding \$250,000 For Commodities And Service Contracts By Nineteen Million Forty-Five Thousand Dollars (\$19,045,000) As Set Forth In Table 2b For A Total Not To Exceed Contract Value Of Fifty-Six Million Two Hundred Sixty Thousand Dollars (\$56,260,000); And**

**(4) And Adopting Appropriate California Environmental Quality Act (CEQA) Findings**

## EXECUTIVE SUMMARY

The Finance Department's Purchasing Unit is responsible for procuring commodity goods and services that support the operation of City departments. These commodity goods and services are commonly procured through cooperative agreements, as provided for under [Oakland Municipal Code \(OMC\) 2.04.080](#). OMC 2.04.080 provides broad authority for the City Administrator to efficiently procure goods and services through cooperative agreements. These agreements are sometimes referred to as "piggyback contracts" as they allow the City to take advantage of other governmental entities' competitive procurements. This contracting approach is intended to provide cost-effective pricing while reducing procurement timelines and administrative requirements.

OMC 2.04.080 sets no limit on the size of cooperative agreements that may be entered into by the City Administrator. The proposed recommendations would align practices for existing cooperative agreements with OMC 2.04.020, which authorizes the City Administrator to enter into contracts up to \$250,000. Existing cooperative agreements in excess of this amount are presented for City Council approval, along with proposed increases.

## **BACKGROUND / LEGISLATIVE HISTORY**

City Council adopted Resolution [89845 C.M.S.](#) on July 18, 2023, approving ongoing cooperative agreements exceeding \$250,000 for the Public Works Department's commodities and services contracts for fleet services and facility maintenance. Increases are now sought for several of these contracts. In addition, Public Works has identified additional cooperative agreements for City Council's consideration, as has the Finance Department's Purchasing Unit.

Historically, cooperative agreements have not been presented for City Council approval with the understanding that they are authorized under OMC 2.04.080. Approval of these agreements by City Council would confirm their authorization and increase transparency for this contracting mechanism.

## **ANALYSIS AND POLICY ALTERNATIVES**

The Finance Department's Purchasing Unit utilizes cooperative agreements as a cost-effective and efficient means to acquire commodity goods and services. Cooperative agreements, by nature, offer volume discounts because the vendor has agreed to offer their bid price to multiple public agencies. Accordingly, the use of cooperative agreements allows the City to access commodities and services at lower prices, which results in significant cost savings for the City.

The 25 cooperative agreements in **Attachment A** serve both single and multiple departments. Cooperative agreements for hardware supplies, for example, are utilized by multiple City departments, while agreements for parking meters or specialized equipment typically serve a single department. While approval is sought for these contracts, no increases in contract value are proposed.

The 13 cooperative agreements in **Attachment B** serve the Public Works Agency. The requested actions include both approvals of these contracts and additional contract funding.

The 34 cooperative agreements in **Attachment C** were previously approved by the City Council under Resolution [89845 C.M.S.](#) and serve the Public Works Agency. The requested action would increase funding for these contracts.

Staff recommends approval of the proposed resolution to allow for uninterrupted operations citywide. If the proposed resolution is not approved, staff would need to bring cooperative agreements to the City Council individually and consider cancellation of the existing ongoing contracts, which would be disruptive and potentially dangerous in the case of certain commodity goods.

Approval of the proposed resolution would support all City departments and priorities, including **holistic community safety** and **vibrant, sustainable infrastructure**, by allowing for ongoing citywide operations.

### **FISCAL IMPACT**

Funding is available in the FY 2023-25 Budget in various departmental accounts across multiple funds. Departments may only access these contracts subject to the availability of Council-authorized appropriations.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action other than what was already conducted during the FY 2023-25 Budget process.

### **COORDINATION**

The Finance Department worked with the Public Works Agency to prepare the requested action. This report and resolution were reviewed by the Office of the City Attorney and Budget Bureau.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** There are no significant economic impacts associated with approving this resolution, but the recommended action is the most efficient way to carry out the City's service needs for FY 2023-25.

**Environmental:** There are no significant environmental opportunities associated with this report.

**Race & Equity:** Resources gained from cooperative agreements will support citywide operations. As the City's budgeted activities increasingly prioritize race & equity, these agreements for goods and services support that mission.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The agreements and the action being undertaken to implement them are exempt from the California Environmental Quality Act (CEQA) under the following CEQA Guideline Sections: Section 15060(c)(2) (no direct or reasonably foreseeable indirect physical change in the environment); Section 15061(b)(3) (no significant effect on the environment); Section 15301 (existing facilities); Section 15307 (protection of natural resources); Section 15308 (protection of the environment); and Section 15309 (inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Approving, In Accordance With City Council Budget Appropriations And Allocations As Adopted By The Fiscal Year 2023-25 Budget:

- (1) Ongoing Finance Department Purchasing Unit Cooperative Agreements Exceeding \$250,000 For Citywide Commodities And Service Contracts As Set Forth In Table 1 In An Amount Not To Exceed Thirty-One Million Six Hundred Fifty-One Thousand Four Hundred Seventeen Dollars (\$31,651,417);
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- (4) And Adopting Appropriate California Environmental Quality Act (CEQA) Findings

For questions regarding this report, please contact Stephen Walsh, Controller, at 510-238-4906.

Respectfully submitted,



Erin Roseman (Nov 1, 2023 13:34 PDT)

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ERIN ROSEMAN  
Director, Finance Department

Prepared by:  
Stephen Walsh, Controller

Attachments (3):

- A: Table 1: Citywide Ongoing Cooperative Purchase Agreements
- B: Table 2a: Ongoing Cooperative Agreements Seeking Authorization with Authority to Increase Contract Value
- C: Table 2b: Ongoing Previously Approved Cooperative Agreements Seeking Authority to Increase Contract Value