



# AGENDA REPORT

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

**FROM:** Joe DeVries  
Deputy City  
Administrator/Acting OAS  
Director

**SUBJECT:** Contract Authorization for Veterinarian  
Supplies with MWI

**DATE:** June 30, 2025

City Administrator Approval

  
Jestin Johnson (Jul 1, 2025 19:41 PDT)

Date: Jul 1, 2025

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Authorizing the City Administrator to:**

**Increase the Existing Cooperative Purchase Agreement With MWI Animal Health In An Amount Not To Exceed Sixty Six Thousand Dollars (\$66,000) for a new total contract amount of Three Hundred Fifteen Thousand Dollars (\$315,000) And Extend the Term of the Contract to July 31, 2025 For Critical Veterinary Supplies; And**

**Enter Into A New Cooperative Agreement with MWI Animal Health for up to One Million Dollars (\$1,000,000) from August 1, 2025 through June 30, 2028 Subject To The Availability Of Funds**

## **EXECUTIVE SUMMARY**

Oakland Animal Services (OAS) has contracted with [MWI Animal Health](#) (MWI) to provide veterinary supplies through a cooperative agreement. This current agreement expires on June 30, 2025, and OAS has reached the spending cap of \$249,000, beyond which a cooperative agreement requires Council approval. Due to delays in establishing the new cooperative agreement, OAS incurred past due amounts this spring that need to be addressed immediately in order to continue to be able to purchase these critical medical supplies.

In order to avoid a similar urgency in future budgets, the resolution also authorizes OAS to enter into a new cooperative agreement through the end of fiscal year (FY) 2027-28 for an amount not to exceed \$1 million. This new cooperative agreement, which is intended to take effect on July 1st, 2025, is near completion.

City Council  
July 15, 2025

### **REASON FOR URGENCY**

This cooperative agreement provides critical veterinary supplies, including medications and surgical materials required to carry out state-mandated and lifesaving services. Any delay in procuring these essential supplies poses significant risk to OAS operations to the animals served at its facility.

### **BACKGROUND / LEGISLATIVE HISTORY**

OMC 2.04.080 provides broad authority for the City Administrator to efficiently procure goods and services through cooperative agreements, 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 dollar threshold of cooperative agreements that may be entered into by the City Administrator. However, cooperative agreements in excess of \$250,000 are presented for City Council approval, along with proposed increases.

OAS has had a cooperative agreement with MWI for veterinary medical supplies under the above authority and began the process of creating a new cooperative agreement in early 2025. Due to administrative delays with the City and the contractor, the new cooperative agreement will not be ready until after July 1<sup>st</sup>, 2025, but \$60,953 in expenses were incurred prior to this date and should be covered by the existing cooperative agreement. The expenses that were incurred beyond the \$249,000 cooperative agreement were due in part to administrative delays, but also are fueled by rising costs of veterinary equipment nationally.

To avoid another urgent situation, staff is recommending authorization for the new cooperative agreement to be through FY 2028 for a total amount not to exceed \$1 million, subject to the availability of funding. The cooperative agreement is linked to an existing MWI contract with Santa Clara County, which expires on June 30, 2028, with a \$1.5 million cap.

### **ANALYSIS AND POLICY ALTERNATIVES**

OAS 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. OAS had a similar agreement with another of the very few firms that provide these supplies and found MWI to be competitive in pricing. MWI Pet Health provides all the supplies that OAS needs to provide ongoing veterinary care including surgical equipment and supplies such as sutures, anesthesia, sterile pads, and all medications including vaccines. OAS entered into a cooperative agreement using Contra Costa County's contract pricing in 2022 and switched to this new cooperative agreement using Santa Clara's contract pricing in late 2023. Since cooperative agreements require Council approval if they exceed \$250,000 and due to rising costs of these supplies, by approving this

cooperative agreement through 2028, the City can avoid the risk of going over the threshold and additional staff time to return to Council through 2028.

This proposal addresses the Citywide Priority of 1) **holistic community safety** by ensuring the safety of animals in OAS's care by ensuring they can receive veterinary care and immunizations which reduces the spread of transmissible diseases and 4) **responsive, trustworthy government** by utilizing a cooperative agreement which saves the City funding by negotiating lower costs for these supplies and locking in the agreement for 3 years, reducing staff costs by avoiding multiple approvals from City Council.

### **FISCAL IMPACT**

Adoption of this proposed resolution will authorize the City Administrator to increase the cooperative agreement by \$66,000 not to exceed the amount of \$315,000 for services provided through July 31, 2025.

Funding for the increased cooperative agreement for FY 2025 are available in the following funding sources (**Table 1**) :

**Table 1: 2025 MWI Animal Health Cooperative Agreement Funding Sources**

| Vendor  | Fund                        | Org                     | Project                          | Account                        | Program                   | Amount          |
|---|-----------------------------|-------------------------|----------------------------------|--------------------------------|---------------------------|-----------------|
| MWI Animal Health   | 1010 – General Purpose Fund | 62111 – Animal Services | 1006014 – Administrative Project | 54011 – Contract Contingencies | PS13 – Special Operations | \$66,000        |
| <b>2025 MWI Animal Health Cooperative Agreement Total</b> |                             |                         |                                  |                                |                           | <b>\$66,000</b> |

Furthermore, the proposed resolution will authorize the City Administrator to negotiate and execute a new cooperative agreement from July 1, 2025, through June 30, 2028, in an amount not to exceed \$1,000,000.

Funding for the new cooperative agreement are available in the following funding sources for FY 2025-2027 (**Table 2**):

**Table 2: FY 2025-2028 Cooperative Agreement with MWI Animal Services Funding Sources**

| Vendor   | Fund                        | Org                     | Project                  | Account                                   | Program                   | FY 2025-26       | FY 2026-27       |
|--|-----------------------------|-------------------------|--------------------------|---|---------------------------|------------------|------------------|
| MWI Animal Health  | 1010 – General Purpose Fund | 62111 – Animal Services | 1006014 – Admin. Project | 52913 – Technical and Scientific Supplies | PS13 – Special Operations | \$249,000        | \$249,000        |
| <b>2025-28 New MWI Animal Health Cooperative Agreement Total</b> |                             |                         |                          |   |                           | <b>\$249,000</b> | <b>\$249,000</b> |

Funding for FY 2027-28 is contingent upon the availability of funding and subject to Council budgetary approval.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action.

### **COORDINATION**

OAS prepared the requested action. This report and resolution were reviewed by the Office of the City Attorney and the 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 secure these critical supplies.

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

**Race & Equity:** Resources gained from cooperative agreements support OAS operations. As OAS increasingly provides services in priority equity communities, these agreements for goods and services support that mission.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Authorizing the City Administrator to:

Increase the Existing Cooperative Purchase Agreement With MWI Animal Health In An Amount Not To Exceed Sixty Six Thousand Dollars (\$66,000) for a new total contract amount of Three Hundred Fifteen Thousand Dollars (\$315,000) And Extend the Term of the Contract to July 31, 2025 For Critical Veterinary Supplies; And

Enter Into A New Cooperative Agreement with MWI Animal Health for up to One Million Dollars (\$1,000,000) from August 1, 2025 through June 30, 2028 Subject To The Availability Of Funds For questions regarding this report, please contact Joe DeVries, Deputy City Administrator and Acting OAS Director, at (510) 472-5044.

Respectfully submitted,



Joe DeVries (Jul 1, 2025 19:39 PDT)

Joe DeVries  
Deputy City Administrator/Acting OAS Director

City Council  
July 15, 2025