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Office of
General Services

Cooperative and Piggybacking Best Practices

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April 30, 2019

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Realities of our Public Procurement World

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Public Procurement - realities

- Our primary purpose is to obtain quality goods and services for our governmental entity by ensuring the prudent use of taxpayer funds.
- Purchasing laws have become more complex, staffing has decreased as workloads have increased, and our budgets have declined.

Public Procurement - realities

- We must continually look for new tools to make our governmental agencies more effective and efficient.
- Government cooperation –through the use of piggybacking or cooperatives –inspires public confidence that we are using our resources wisely.

Definitions

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Definition of “Piggybacking”

- Where one governmental entity will extend the pricing and terms of their contract to others. It’s competitively awarded and will include language allowing other governmental entities to utilize the contract.
- Here in New York you must purchase the exact same item –using the same terms and conditions as presented in the original solicitation.

Definition of “Cooperative Procurement”

- **Cooperative Procurement (Purchasing)**

The action taken when two or more entities combine their requirements to obtain advantages of volume purchases, including administrative savings and other benefits.

A variety of arrangements, whereby two or more public procurement entities (or agencies) purchase from the same supplier or multiple suppliers using a single Invitation for Bids (IFB) or Request for Proposals (RFP).

- **Cooperative procurement efforts may result in contracts that other entities may “piggyback.”** (*from NIGP Dictionary*)

What the Law Allows

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Piggybacking Contracts

- GML 103 was amended to add a Section 16 that authorizes the piggybacking of certain contracts.
- This will allow the use of contracts issued by all local governments within New York State and other governmental agencies **outside** of New York State (if the piggybacking language is included in the original bid).
- Guidance has been published by the New York State Comptrollers Office, however, if you have questions speak with your own Attorneys.



Piggybacking Section of GML

** 16. Notwithstanding the provisions of subdivisions one, two and three of this section, and section one hundred four of this article, any officer, board or agency of a county, political subdivision or of any district therein authorized to make purchases of apparatus, materials, equipment or supplies, or to contract for services related to the installation, maintenance or repair of apparatus, materials, equipment, and supplies, may make such purchases, or may contract for such services related to the installation, maintenance or repair of apparatus, materials, equipment, and supplies, as may be required by such county, political subdivision or district thereinthrough the use of a contract let by the United States of America or any agency thereof, any state or any other county or political subdivision or district therein if such contract was let in a manner that constitutes competitive bidding consistent with state law and made available for use by other governmental entities.*



What to Consider

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What to Consider:

- (1) That bids are solicited competitively through a public solicitation process like advertising in official newspapers or websites, etc.*
- (2) That bids are sealed to guard against fraud, favoritism or collusion*
- (3) That bid specifications must be fair/open and not skewed toward particular vendors, i.e. that the system fosters open competition;
- (4) First adopt a local law, rule, regulation or resolution, as the case may be, authorizing the use of best value for awarding purchase contracts.*

*<http://osc.state.ny.us/localgov/pubs/piggybackinglaw.pdf>



What to Consider:

(5) That the bid goes to the lowest bidder and that there is no process in which other bidders who are not the lowest bidders are "encouraged" to drop their prices for purposes of being awarded the bid.

–“ no 2nd bite of the apple”

(6) National Cooperative Examples (there are many cooperatives)

–U.S. Communities **OMNIA Partners, Public Sector**

–National IPA logo(National IPA and TCPN have merged)

–NJPA

–NASPO ValuePoint

–Plus many more

Best Practices to Consider:

- Comparison shopping between State, County and National Cooperative contracts:
 - Office supply
 - Industrial supplies
 - Janitorial supplies
 - Automotive supplies
- Issue a formal document amongst cooperatives
- Keeping documentation for auditors in one place

Verification Template Examples

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Albany County example

Albany County Justification for Utilizing a Cooperative Contract

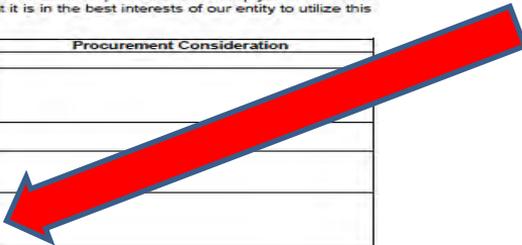
Cooperative or Lead Agency _____

Contract No. _____

Vendor(s) Name(s) _____

We have reviewed and completed due diligence on the aforementioned cooperative contract. As part of the due diligence review, we have confirmed that the contract complies substantially with our procurement rules and practices. We have further confirmed that all purchases will comply with the terms and prices in the contract. It has been determined that it is in the best interests of our entity to utilize this contract for the reasons cited below:

Issue	Procurement Consideration
New York State Considerations:	
1. Was the contract let by the United States or any agency thereof, any state or any other political subdivision or district therein?	
2. Was the contract made available for use by other governmental entities?	
3. Was the contract let in a manner that constitutes competitive bidding "consistent with state law?"	
4. Was there a public solicitation of bids consistent with GML 103.5 and serves to ensure that the purposes of GML 103 are furthered?	
5. Was the submission of sealed bids, or analogous procedure, done in a manner to secure and preserve the integrity of the process and confidentiality of the bids submitted?	
6. Was the preparation of bid specifications, or a similar document that provides a common standard for bidders to compete fairly?	
7. Was the award to the lowest bidder who materially or substantially meets the bid specifications and is determined to be a responsible bidder?	
General Considerations:	
8. Do the terms, conditions and scope of work/specifications meet the need?	
9. If no, are the terms, conditions and scope of work/specifications negotiable?	It should be noted here if terms or prices were negotiated.
10. Does the cooperative contract provide the most advantageous solution? Why?	Factors may include advantageous terms, conditions, prices, quality, performance, timing, entity's experience and ability to duplicate the contract, age of the contract, etc.
11. Will volume pricing advantages be applied to purchases?	
12. Were local and regional vendors offered the opportunity to compete for the contracts?	Use this area if applicable to the entity's procurement policies, practices or principles.
13. Did the cooperative or lead agency have	



1. government entity?
2. Cooperative language?
3. Competitive bid?
4. Public Solicitation?
5. Sealed bid?
6. Fair Spec?
7. Low bidder, meets spec, responsible/responsive?
8. Do T's&C's and scope meet needs?
9. Are terms negotiable?
10. Does it provide most advantageous solution? Why?
11. Will volume pricing be applied?
12. Were local & regional companies offered bid opportunity?





Colonie



Paula A. Mahan
Town Supervisor

TOWN OF COLONIE
General Services Department
Memorial Town Hall
Newtonville, New York 12128

Phone (518) 783-2726 Fax (518) 786-7329
www.colonie.org/genservices

Douglas W. Sippel, CPPB
Director

**Town of Colonie
Contract Verification Form**

Municipality: _____

Address: _____

Phone Number: _____

Contact Name: _____

Contract Title: _____

Awarded Vendor: _____

The Town of Colonie is attempting to determine if the above contract meets the New York State requirements that allow political subdivision to use this contract. The information requested is only for the Town's use to help make that determination. The Town of Colonie is a New York State Political Subdivision located in Albany County New York.

This contract was let by the United States or any agency thereof, any state or any other political subdivision or district therein.

YES _____ NO _____

This contract has been made available for use by other government entities.

YES _____ NO _____

This contract was the result of a public solicitation that included public.

This contract required sealed submissions of bids or offers from vendors to secure and preserve the integrity of the process and confidentiality of the bids or offers submitted.

YES _____ NO _____

Prepared specifications were supplied to potential vendors as part of the solicitation of this contract.

YES _____ NO _____

The award of this contract was made on the basis of lowest responsible bidder or best value.

YES _____ NO _____

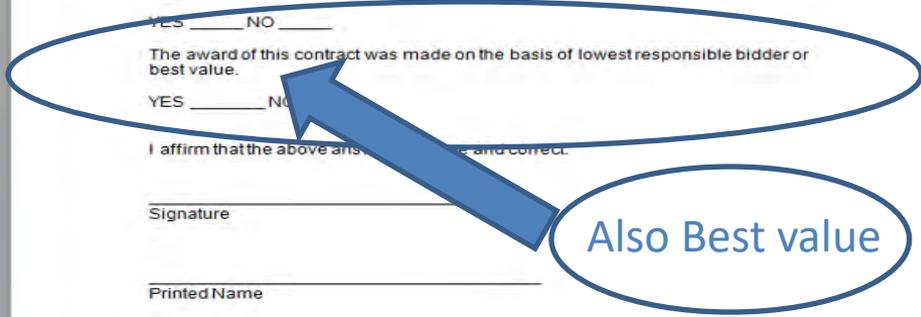
I affirm that the above answers are true and correct.

Signature _____

Printed Name _____

Date _____

Thank you for your assistance. Please fax this completed back to the Town of Colonie at 518-786-7329. If you have any questions please contact Douglas Sippel, CPPB at 518-783-2726.



Also Best value



Examples: Current Cooperatives in use @ Albany County

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OMNIA Partners, Public Sector (formerly US COMMUNITIES):

- BSN Sports
- Ricoh –Saved \$35,000 over 5 yrs
- AMSAN –Janitorial products
- Safeware–Public Safety
- KONE –Elevator Maintenance and Modernization

Omnia Partners (formerly NATIONAL IPA):

- Office Depot
- Hill & Marks –Janitorial Supplies

Omnia Partners (formerly TCPN):

- Lowes
- GovConnections

- Sourcewell (formerly NJPA):
 - Carpet
 - Fuel Master –Complicated Contract
 - Goodyear
 - Grainger
 - NAPA
 - Pitney Bowes

Resources

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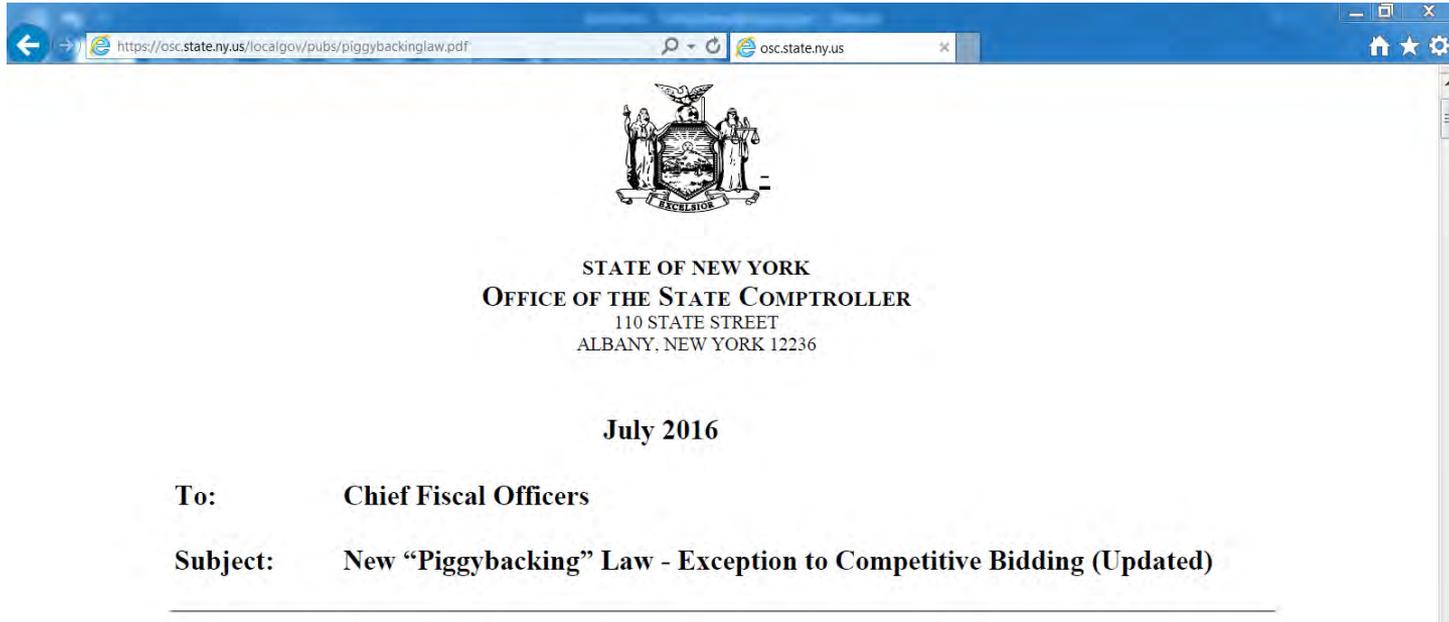
- Local Government Management Guide for Seeking Competition in Procurement:
<https://www.osc.state.ny.us/localgov/pubs/lgmg/seekingcompetition.pdf>
- Guide for Piggybacking in New York State:
<https://ogs.ny.gov/procurement/piggybacking-using-other-existing-contracts-0>



Guide for Piggybacking in NYS

- OSC “Piggybacking” Law:

<http://osc.state.ny.us/localgov/pubs/piggybackinglaw.pdf>



Some National Cooperatives:

NASPO ValuePoint <http://www.naspovaluepoint.org/#/home/contracts>

OMNIA Partners, Public Sector (formerly NATIONAL IPA and US Communities)

<https://www.omniapartners.com/publicsector/national-ipa-an-omnia-partner>

Sourcewell (formerly NJPA) <https://www.sourcewell-mn.gov/>

E&I Cooperative Services (education) <https://www.eandi.org/>

Questions & Contact Information

Karen A. Storm, CPPB

Albany County Purchasing Agent

SAMPO Executive Board

518-447-7149 karen.storm@albanycountyny.gov