

PURCHASING AND LICENSING COMMITTEE

09-0545R

RESOLUTION APPROVING PURCHASING AGREEMENT WITH THE MINNESOTA DEPARTMENT OF ADMINISTRATION MATERIALS MANAGEMENT DIVISION TO AUTHORIZE THE CITY TO PURCHASE UNDER STATE PURCHASING AGREEMENTS.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into an agreement, a copy of which is on file in the office of the city clerk as Public Document No. \_\_\_\_\_, with the state of Minnesota department of administration, materials management division, to allow the city to purchase commodities, equipment and services under the state's contracts as authorized by Minnesota Statutes Section 16C.11.

Approved:

Approved for presentation to council:

\_\_\_\_\_  
Department Director

\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

Approved:

\_\_\_\_\_  
Attorney

\_\_\_\_\_  
Auditor

PURCH/ATTY REA:blj 8/25/2009

STATEMENT OF PURPOSE: This resolution authorizes the city to continue to utilize the state's purchasing agreements to purchase commodities, equipment and services as an alternative to the city going through a competitive bidding process of its own.

The state of Minnesota department of administration, materials management division, has for years established a series of purchasing agreements by a combination of bidding and negotiating to allow it to expeditiously and economically purchase various commodities, equipment and services as the need arises without going through a bidding process for each purchase. Because of the state's purchasing power, it has the ability to secure advantageous prices and terms for many of its purchases.

Some years ago, the legislature recognized that the use of this process could be of benefit and convenience to local units of government and authorized them to enter into agreements with the state which allows but does not require them to purchase from the state-developed contract list without themselves going through a bidding process. As indicated, it is discretionary with the local units of government whether they use the state contracts or go through their own purchasing process which must then conform to the appropriate purchasing processes.

The city has taken advantage of this authorization for many years but its contract with the state which runs for up to five years is up for renewal. This resolution authorizes such a renewal.