



AGENDA REPORT

Information Technology

DATE:	December 19, 2023
TO:	Mayor Martinez and Members of the City Council
FROM:	Sue Hartman, Director of Information Technology
Subject:	OMNIA Cooperative Purchase Agreement for City-wide Goods and Services from Ring Central
FINANCIAL IMPACT:	Purchases will be made from various departmental operating budgets through various Cooperative Purchasing Agreements. Funding for the purchases has been included in the FY 2023-24 operating budgets. Funding will be included in the operating budget for each of the next three fiscal years.
PREVIOUS COUNCIL ACTION:	October 17, 2023
STATEMENT OF THE ISSUE:	The City has ongoing needs to purchase goods and services for various departments. City staff requests approval to use Cooperative Purchase Agreements and maximize cost savings and staff resources by sharing contracting and purchasing efforts with other governmental agencies.
RECOMMENDED ACTION:	ADOPT a resolution approving the use of OMNIA Cooperative Purchasing Agreements with Ring Central, in an amount not to exceed \$500,000 per year, for a term beginning December 19, 2023, and ending December 19, 2026, with two one-year options to extend. Information Technology Department (Sue Hartman 510-620-6874).

DISCUSSION:

The City has ongoing needs to purchase goods and services for various departments. Finance staff conducted an analysis and prepared an estimate of the anticipated city-wide purchases of a variety of related goods and services, including but not limited materials, equipment, vehicles, and apparatus. These purchases are necessary to ensure the continued delivery of programs and services city-wide.

The Finance Director may arrange for the City to enter into an agreement (“Cooperative Purchasing Agreement”) with one or more local, city, county, state, federal or other public entity, other nonprofit association or group consisting of governmental entities, in order to cooperatively purchase supplies and services, including materials, equipment, vehicles and apparatus subject to specific requirements. [Richmond Municipal Code section 2.52.380(a)] The use of Cooperative Purchase Agreements maximizes cost savings and staff resources by sharing contracting and purchasing efforts with other government agencies. Utilizing cooperative purchasing agreements provides an opportunity for the City to obtain lower pricing through volume purchasing. As cooperative agreements reach expiration, they are automatically renewed allowing government agencies to continue to leverage cost savings.

OMNIA is a leading national government purchasing cooperative, providing world-class government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall supplier government pricing. OMNIA partners with many governmental agencies to offer cooperative purchasing contracts to other governmental agencies to economically procure services and supplies, pay less for products and services, and reduce administrative costs in developing contracts.

City staff request approval and spending authority to cover the estimated expenditures using Cooperative Purchasing Agreements, and the authority to substitute any of the listed cooperative agreements with the appropriate replacement agreement issued by the same cooperative organization, if that agreement expires during this purchase approval period. The Cooperative Purchasing Agreements and vendors that will be used to procure the related goods and services for a term beginning December 19, 2023, and ending December 19, 2026, with two one-year options to extend.

OMNIA COOPERATIVE AGREEMENTS		
<u>Vendor Name</u>	<u>Cooperative Agreement</u>	<u>Description</u>
Ring Central Contract	Contract #R2009902	Unified Communications as a Service (UCaaS)

The recommendations in this report are in accordance with Richmond Municipal Code section 2.52.328, which authorizes the Director of Finance to utilize cooperative purchasing agreements to purchase supplies or services through legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement approach increases pricing competitiveness and lowers operating costs through volume purchasing. When comparing the administrative cost of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program. The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and the Procurement Division to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

City staff members request approval to use OMNIA Cooperative Purchasing Agreements with Ring Central in an amount not to exceed \$500,000 per year for a term beginning December 19, 2023, and ending December 19, 2026, with two one-year options to extend.

DOCUMENTS ATTACHED:

Attachment 1 – Resolution

Attachment 2 – Ring Central Contract Packet