

Meeting Date: 9/13/2016

Report Type: Consent

Report ID: 2016-00900

Title: Agreement with National IPA for Wireless Marketing Services

Location: Citywide

Recommendation: Pass a motion authorizing the City Manager or his designee to execute an Agreement with National Intergovernmental Purchasing Alliance Company which includes a Principal Procurement Agency Certificate, Wireless Marketing and License Agreement, and Rebate Agreement, allowing other government entities and educational institutions to use the terms of the City's Agreement# 2016-0801 with 5-Bars for Wireless Marketing Services.

Contact: Darin Arcolino, IT Manager, (916) 808-0403; Ignacio Estevez, IT Manager, (916) 808-7349, Maria MacGunigal, Chief Information Officer, (916) 808-7998, Information Technology

Presenter: None

Department: Information Technology

Division: Technology Infrastructure Svcs

Dept ID: 07001021

Attachments:

1-Description/Analysis

2-Contract

City Attorney Review

Approved as to Form
Audreyell A. Anderson
9/8/2016 9:58:07 AM

Approvals/Acknowledgements

Department Director or Designee: Maria MacGunigal - 8/30/2016 12:46:48 PM

Description/Analysis

Issue Detail: As a result of a competitive Request for Qualifications (RFQ), the City executed an agreement (City Agreement C2016-0801) on June 28, 2016 with 5 Bars for Wireless Marketing Services. Since executing this agreement, the City has been approached by 5 Bars and National Intergovernmental Purchasing Alliance (National IPA) with an interest to allow by other government agencies and educational institutions to use the terms of the City's Agreement C2016-0801 to provide similar services. In exchange for utilizing this contract, the City will receive 6.25% of National IPA's 2% administrative fees collected from 5 Bars for purchases of product/services made by governmental or educational entities under City Agreement C2016-0801. The City will also receive an additional 2% directly from 5 Bars as a result of subsequent agreements executed with public agencies who benefit from City Agreement C2016-0801.

Making the City's agreement with 5 Bars available helps streamline the procurement and contracting processes for other governmental agencies interested in similar work. This is similar to the City's use of cooperative purchasing agreements to supplement the City's procurement process and this contract would do the same for other agencies.

National IPA partners with many governmental agencies to offer cooperative purchasing contracts to other governmental agencies in order to create a more economical means of procuring services and supplies, ability to pay less for products and services, and reduce administrative costs in developing contracts. There is no cost to governmental agencies to utilize National IPA services.

Council approval is needed for this agreement as the City Code does not provide express authority for the City Manager or their designee to execute this agreement with National IPA.

Policy Considerations: In alignment with City Code section 3.56.240, the City has traditionally leveraged cooperative purchasing agreements to complement the City's internal procurement processes for the purchase of supplies and services. In reverse, approval of the recommendations in the report will make City Agreement C2016-0801 available for use by other governmental and educational entities through National IPA.

Economic Impacts: None

Environmental Considerations: None

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: Allowing access to City Agreement C2016-0801 will provide a streamline procurement process for other governmental agencies interested in receiving Wireless Marketing Service. This will also provide a new revenue source to the City with little or no effort to the City since the contract work has already been completed.

Financial Considerations: The City will receive a percentage of revenues for referral work associated with this agreement. It is anticipated that the revenues received will be minimal (approximately \$20,000) and will be used to support the City's information technology systems.

Local Business Enterprise (LBE): National IPA is not an LBE. The minimum LBE participation requirement was waived by the Director as staff has determined the waiver is in the City's best interest.

Rebate Agreement

The CITY OF SACRAMENTO, CALIFORNIA (herein "Principal Procurement Agency") has entered into a Master Agreement effective June 14, 2016, Agreement No Q16071011005, by and between the Principal Procurement Agency and 5 Bars, LLC (herein "Supplier"), (as may be amended from time to time in accordance with the terms thereof, the "Master Agreement"), for the purchase of Wireless Marketing Plan (herein "Product").

Based upon its marketing of the Master Agreement, National Intergovernmental Purchasing Alliance Company ("National IPA") receives administrative fees from the Supplier and based upon such administrative fees shall make an annual rebate payment ("PPA Rebate") to Principal Procurement Agency.

The annual PPA Rebate for the Master Agreement shall be equal to 6.25% of National IPA's administrative fees received for purchases of Product for each contract year under the Master Agreement. The PPA Rebate shall be remitted to Principal Procurement Agency either no later than 45 days after the end of the respective Master Agreement fiscal year for which a PPA Rebate is required or no later than 45 days after National IPA receives, from the respective Supplier(s), all administrative fees due for the applicable Master Agreement contract year, whichever is later. Each annual PPA Rebate payment from National IPA shall include a remittance report detailing the calculation for the applicable contract year's PPA Rebate.

Principal Procurement Agency represents and warrants that its receipt of the PPA Rebate complies will federal, state and local law, including but not limited to any and all state specific procurement laws.

This Rebate Agreement shall commence on the ___ day of _____, 2016 and remain in effect for the complete term and any renewal period(s), where applicable, of the Master Agreement.

The annual PPA Rebate specified in the Agreement shall be remitted to PPA exactly as shown below:

Name of PPA as it shall Appear on Actual Remittance

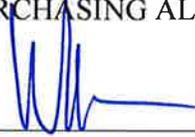
Address Where Remittance is to be mailed:

Rebate Agreement, continued

The Principal Procurement Agency agrees to allow National IPA to utilize its name in promotional and marketing materials for National IPA and for the Master Agreement to Participating Public Agencies and Suppliers (both terms as defined in the Master Agreement). National IPA agrees that all Master Agreement marketing materials are subject to review by the Principal Procurement Agency.

Principal Procurement Agency:
City of Sacramento, California

NATIONAL INTERGOVERNMENTAL
PURCHASING ALLIANCE COMPANY



Signature

Signature

Name

Ward H. Brown

Name

Title

Chief Operating Officer

Title

Date

8/12/18

Date

PRINCIPAL PROCUREMENT AGENCY CERTIFICATE

In its capacity as Principal Procurement Agency for National IPA, the City of Sacramento, CA agrees to pursue Master Agreements for Products as specified in the attached exhibits to this Principal Procurement Agency Certificate.

I hereby acknowledge, in my capacity as _____ of and on behalf of City of Sacramento, CA (“Principal Procurement Agency”), that I have read and hereby agree to the general terms and conditions set forth in the attached Master Intergovernmental Cooperative Purchasing Agreement regulating the use of the Master Agreements and purchase of Products that from time to time are made available by Principal Procurement Agencies to Participating Public Agencies nationwide through National Intergovernmental Purchasing Alliance Company (“National IPA”).

I understand that the purchase of one or more Products under the provisions of the Master Intergovernmental Cooperative Purchasing Agreement is at the sole and complete discretion of the Participating Public Agency.

Authorized Signature, Principal Procurement Agency
CITY OF SACRAMENTO, CA

Signature

Name

Title

Date



MASTER INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT

This Master Intergovernmental Cooperative Purchasing Agreement (the “**Agreement**”) is entered into by and between those certain government agencies that execute a Principal Procurement Agency Certificate (“**Principal Procurement Agencies**”) with National Intergovernmental Purchasing Alliance Company (“**National IPA**”) to be appended and made a part hereof and such other public agencies (“**Participating Public Agencies**”) who register to participate in the cooperative purchasing programs administered by National IPA and its affiliates and subsidiaries (collectively the “**National IPA Parties**”) by either registering on a National IPA Party website (such as www.nationalipa.org), or by executing a copy of this Agreement.

RECITALS

WHEREAS, after a competitive solicitation and selection process by Principal Procurement Agencies, a number of suppliers have entered into “**Master Agreements**” (herein so called) to provide a variety of goods, products and services (“**Products**”) to the applicable Principal Procurement Agency and the Participating Public Agencies;

WHEREAS, Master Agreements are made available by Principal Procurement Agencies through the National IPA Parties and provide that Participating Public Agencies may purchase Products on the same terms, conditions and pricing as the Principal Procurement Agency, subject to any applicable federal and/or local purchasing ordinances and the laws of the State of purchase;

WHEREAS, in addition to Master Agreements, the National IPA Parties may from time to time offer Participating Public Agencies the opportunity to acquire Products through other group purchasing agreements;

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and of the mutual benefits to result, the parties agree as follows:

1. That each party will facilitate the cooperative procurement of Products.
2. That the procurement of Products by Participating Public Agencies subject to this Agreement shall be conducted in accordance with and subject to the relevant federal, state and local statutes, ordinances, rules and regulations that govern Participating Public Agency’s procurement practices.
3. That the cooperative use of Master Agreements and other group purchasing agreements shall be in accordance with the terms and conditions of such agreements, except as modification of those terms and conditions is otherwise allowed or required by applicable federal, state or local law.
4. That the Principal Procurement Agencies will make available, upon reasonable request and subject to convenience, Master Agreement information which may assist in improving the procurement of Products by the Participating Public Agencies.

5. That the Participating Public Agency agrees that the National IPA Parties may provide access to group purchasing organization (“**GPO**”) agreements directly or indirectly by enrolling the Participating Public Agency in another GPO’s purchasing program, including but not limited to Vizient Supply, LLC, Provista, Inc. and other National IPA affiliates and subsidiaries; provided that the purchase of Products through a National IPA Party or any other GPO shall be at the Participating Public Agency’s sole discretion.
6. That the Participating Public Agencies (each a “**Procuring Party**”) that procure Products through any Master Agreement or GPO Product supply agreement (each a “**GPO Contract**”) will make timely payments to the distributor, manufacturer or other vendor (collectively, “**Supplier**”) for Products received in accordance with the terms and conditions of the Master Agreement or GPO Contract, as applicable. Payment for Products and inspections and acceptance of Products ordered by the Procuring Party shall be the exclusive obligation of such Procuring Party. Disputes between Procuring Party and any Supplier shall be resolved in accordance with the law and venue rules of the State of purchase unless otherwise agreed to by the Procuring Party and Supplier.
7. The Procuring Party shall not use this Agreement as a method for obtaining additional concessions or reduced prices for similar products or services.
8. The Procuring Party shall be responsible for the ordering of Products under this Agreement. A non-procuring party shall not be liable in any fashion for any violation by a Procuring Party, and the Procuring Party shall hold non-procuring party harmless from any liability that may arise from action or inaction of the Procuring Party. Without limiting the generality of the foregoing, the National IPA Parties make no representations or warranties regarding any Product, Master Agreement or GPO Contract, and shall have no liability for any act or omission by a Supplier or other party under a Master Agreement or GPO Contract.
9. This Agreement shall remain in effect until termination by a party giving 30 days written notice to the other party. The provisions of paragraphs 6, 7 and 8 hereof shall survive any such termination.
10. This Agreement shall take effect upon (i) execution of the Principal Procurement Agency Certificate or (ii) the registration on a National IPA Party website or the execution of this Agreement by a Participating Public Agency, as applicable.

**PRINCIPAL PROCUREMENT AGENCY CERTIFICATE
EXHIBIT A-1
WIRELESS MARKETING AND LICENSE AGREEMENT**

This PRINCIPAL PROCUREMENT AGENCY CERTIFICATE, EXHIBIT A-1 effective June ____, 2016, between City of Sacramento, CA and National Intergovernmental Purchasing Alliance Company (“National IPA”)

WHEREAS City of Sacramento, CA issued a Request for Qualifications # Q16071011005 – Wireless Marketing Plan (“RFQ”) on February 22, 2016;

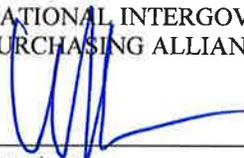
WHEREAS 5 Bars, LLC responded to the RFQ and was awarded the subsequent contract effective June 14, 2016 (“Master Agreement”);

NOW THEREFORE, City of Sacramento, in its capacity as a Principal Procurement Agency for National IPA, agrees to make available the Master Agreement for Wireless Marketing and License Agreement in the National IPA portfolio to National IPA registered participants.

Authorized Signature, Principal Procurement Agency
CITY OF SACRAMENTO, CA

NATIONAL INTERGOVERNMENTAL
PURCHASING ALLIANCE COMPANY

Signature



Signature

Name

Name

Ward H. Brown

Title

Title

Chief Operating Officer

Date

Date

8/12/16